1191. By the SPEAKER: Petition of Mrs. Theta A. Cook and others, Venice, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1192. Also, petition of Mrs. Mary A. Erdman and others, Paso Robles, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1193. Also, petition of William Robbins and others, Quincy, Ill., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1194. Also, petition of Mrs. Elizabeth Starks and others, Chambersburg, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1195. Also, petition of Jack Yost and others, Turtle Creek, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1196. Also, petition of Mrs. Clara E. Gentry and others, Marysville, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1197. Also, petition of Charles V. West and others, Tacoma, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1198. Also, petition of Charles R. Kemp and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

WEDNESDAY, JUNE 29, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, this sacred altar at which we bow, in the midst of another day's demands, is the witness of our weakness and the contrite confession that in Thee alone is the answer to our needs. Our hearts grow faint in the dust of our foolish pride. The cries of the crowd about us but bring us to confusion without and perplexity within. Weary of our fruitless quests and futile arguments, we turn to Thee in the humility of prayer. Grant us vision and wisdom that by our decisions here we may have a part in making earth's crooked ways straight when at last social and industrial relations will lose their hard antagonisms and become the hallowed cooperation of comrades in human service. We ask it in that name that is above every name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 28, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 28, 1949, the President had approved and signed the act (S. 55) to authorize completion of construction and development of the Eden project, Wyoming.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes.

The message also announced that the House had agreed to the following resolution:

House Resolution 271

Resolved, That when this House adjourns on Friday, July 1, 1949, it will adjourn to meet in the caucus room in the New House Office Building on Tuesday, July 5, 1949, and it shall continue to meet there until otherwise ordered.

Resolved, That all rules relating to the Hall of the House shall be applicable to the caucus room.

Resolved, That the Clerk communicate these resolutions to the President of the United States and to the Senate of the United States.

RESIGNATION OF SENATOR WAGNER, OF NEW YORK

The VICE PRESIDENT. The Chair lays before the Senate a communication from the senior Senator from New York [Mr. WAGNER] which the clerk will read.

The legislative clerk read as follows:

UNITED STATES SENATE,
Washington, D. C., June 28, 1949.

Hon. THOMAS J. CURRAN,
Department of State,
Capitol, Albany 1, N. Y.

DEAR MR. SECRETARY: I regret that I find it necessary to tender my resignation as United States Senator from the State of New York, effective as of this date.

ROBERT F. WAGNER.

The VICE PRESIDENT. The letter will lie on the table.

Mr. IVES obtained the floor.

Mr. LUCAS. Mr. President, does the Senator from New York desire to address the Senate?

Mr. IVES. I wish to make a short statement regarding the resignation of my colleague, if the opportunity is afforded me.

Mr. LUCAS. Does the Senator wish to do that now, or wait for a quorum?

Mr. IVES. I would just as soon wait until a quorum is present.

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Chapman	Flanders
Anderson	Chavez	Frear
Baldwin	Connally	Fulbright
Brewster	Cordon	George
Bricker	Donnell	Gillette
Bridges	Douglas	Graham
Butler	Downey	Green
Byrd	Eastland	Gurney
Cain	Ferguson	Hayden
Hendrickson	McCarthy	Smith, Maine
Hill	McClellan	Sparkman
Hoey	McFarland	Stennis
Holland	McGrath	Taft
Humphrey	McKellar	Thomas, Okla.
Hunt	Martin	Thomas, Utah
Ives	Maybank	Thye
Jenner	Miller	Tobey
Johnson, Colo.	Mundt	Tydings
Johnson, Tex.	Murray	Vandenberg
Johnston, S. C.	Neely	Watkins
Kefauver	O'Conor	Wherry
Kem	O'Mahoney	Wiley
Kerr	Pepper	Williams
Kilgore	Reed	Withers
Langer	Robertson	Young
Lodge	Saltonstall	
Lucas	Schoeppel	

Mr. LUCAS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly meeting at Rome, Italy.

The Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Nevada [Mr. MCCARRAN], the Senator from Pennsylvania [Mr. MYERS], the Senator from Georgia [Mr. RUSSELL], and the Senator from Idaho [Mr. TAYLOR] are detained on official business in meetings of committees of the Senate.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from Colorado [Mr. MILLIKIN], and the Senator from California [Mr. KNOWLAND] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Indiana [Mr. CAPEHART] and the Senator from Nevada [Mr. MALONE] are detained on official business.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

Mr. IVES. Mr. President, I noted with a great deal of regret the communication the Senate has received indicating the resignation of my very distinguished colleague from New York, Senator ROBERT F. WAGNER. I rise at this time to speak very briefly in tribute to the record of a very great American, the former senior Senator from New York. I have not always agreed with my colleague in all his ideas, but on some matters he and I have seen eye to eye—in his desire to help improve the lot of the ordinary man, the rank and file of people, to make this a better country in which to live. In those things always in principle I have agreed with him, and to a considerable extent I have found little fault with the methods he may have desired to employ.

All of us who are Members of the Senate are acquainted with his distinguished public record in Washington, as a servant of the people of the Nation. But I desire to point out that his record is equally distinguished in the State of New York. As a former member of the Assembly of New York, as a former member of the New York State Senate, of which he served as the floor leader of his party for 8 years, as a former member of the Supreme Court of the State of New York, and of the appellate division of that court, from which he resigned to run for the United States Senate in 1926, he has had an unusual record of achievement in his own State. Even as we in the Senate have lost, in his resignation, a distinguished fellow Senator who has served faithfully and well and with great effectiveness in this body, so have the people of the State of New York—and I say this as a Republican, speaking of a Democrat—lost a distinguished servant in the cause of their State and in the cause of their country.

Before closing, Mr. President, I desire to read, in order that it may be placed in the RECORD where all may see it, the statement of Senator WAGNER which was issued yesterday at the time of his resignation. I read it:

STATEMENT OF SENATOR ROBERT F. WAGNER ON HIS RESIGNATION FROM THE UNITED STATES SENATE

My turn has come to step down. For some time past it has been my personal wish to relinquish my seat in the United States Senate. Kind friends have tried to persuade me that I would, after a short rest, be able to resume such constant attention to official duties as I have in the past been accustomed to give.

The leaders of my party have pressed upon me their wish that I should embrace that hope and continue in office. I cherish the kindness of my friends and value highly the opinion of party leaders.

But in the last analysis, I must square my conduct with my own conscience. That inner voice tells me that I should no longer rely on a hope so long deferred. I resign from the Senate with deep regret. During the 23 years that I served in that body I made fast friendships which will warm my heart as long as I live.

I shall miss them. While I served in Washington, I had the priceless privilege of taking part in a continuing battle for human rights. It is a source of satisfaction that there are more victories than defeats. Legislation was enacted to give labor a place of equality at the collective-bargaining table and to insure its rights.

Other laws gave to the people greater security in employment and some measure of protection against the economic tragedies of old age. All this was done in the pioneer spirit of mutual help. My regret, of course, is that I cannot remain in the front line. The battle for human rights is never ending.

Those who believe in the liberal tradition in American life must remain alert to protect past gains. The future demands advances in many areas, particularly in those of conservation of our natural resources, defense against unemployment, adequate housing, and national health.

I must bow to the judgment of an all-wise providence. I do so all the more readily because, as I look back upon the 45 years of uninterrupted public service, my heart is filled with gratitude to the people of New York who have so consistently shown me their trust and affection and to my party which has opened for me so many doors to service. I have had my fair share of shining hours when the country approved my labors and when I saw the reforms for which I struggled, so firmly established that many took them for granted.

As I retire from the arena which has been home to me these many years, I have no misgivings about the future. I see a generation grown up which is well equipped with the learning, intelligence, courage, and faith in our country to meet the challenge of the new day more successfully than my own generation. I have faith that this new generation will exercise power for the common good. So long as it reassures freedom and the love of God and country the prospect is bright.

With that, Mr. President, and with the request to have inserted in the RECORD at this point as a part of my remarks a biography of Senator WAGNER which I think should be included in the RECORD, I close by paying tribute once more to this very dear friend, this great American, this great servant both of his State and of his Nation.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF SENATOR ROBERT F. WAGNER

ROBERT F. WAGNER, Democrat, was born in Nastatten, Germany, June 8, 1877, and came to this country at the age of 8. He was educated in the public schools of New York City, and sold newspapers after school hours to help support himself. He received the degree of B. S. from the College of the City of New York in 1898 and the LL. B. degree from the New York Law School in 1900. In the latter year, he was admitted to the bar and has engaged continuously in the general practice of law, except for the 8 years during which he served upon the supreme court of the State.

He was elected to the assembly in 1905, and was elevated to the State senate in 1908, where he served until 1918, the last 8 years as Democratic floor leader. He was Acting Lieutenant Governor of the State in 1914, following the impeachment of Governor Sulzer, and in 1915 was elected delegate to the State constitutional convention. In 1918 he was elected justice of the supreme court, and in 1924 was designated to the appellate division of the first department. He resigned his judicial office to undertake a successful campaign for election to the United States Senate in 1926. In 1932 and 1938 he was reelected by great majorities.

Senator WAGNER'S career has been devoted largely to the problems of social security, unemployment, and other issues presented by modern industrial society. As a lawyer he won some of the most important cases giving recognition to the rights of labor, including a case which virtually outlawed the "yellow dog" contract in New York State. As a State legislator he was chairman of the committee formed to investigate factory conditions in New York, following the Triangle fire in 1911. Largely due to his efforts, a code of labor laws was enacted which raised New York from near the bottom to the very top of the list of States dealing with the problems of working people. He also sponsored bills in regard to workmen's compensation laws, the wages and hours of women and children in industry, and widows' pensions. His liberal viewpoint made itself felt in a wide variety of other legislative matters, such as conservation and woman suffrage.

On the State supreme court bench, Senator WAGNER was distinguished for his sound judgment and breadth of vision. He upheld the constitutionality of the home-rule amendment for New York City and of the wartime emergency rent laws (later affirmed by the Supreme Court of the United States). He sustained the right of employees to engage in collective bargaining. He was the first to sustain the right of labor organizations to sue in the courts for injunctive relief.

In the United States Senate, Senator WAGNER has become the foremost authority in the field of industrial relations, and has been responsible for far-reaching legislation to stabilize industry, improve working conditions, and minimize unemployment. Bills which he introduced in his first few years as United States Senator that have become law include: Provisions for the adequate collection of labor statistics; the creation of a Federal employment stabilization board to plan public construction 6 years ahead; and the establishment of a Federal employment agency system which provides for the transfer of labor from places of surplus to places of need. With the coming of depression, Senator WAGNER participated actively in the creation of the Reconstruction Finance Corporation, and he was chiefly responsible for the Emergency Relief and Construction Act of 1932, which provided over $2,000,000,000 for various kinds of aid to the unemployed. In 1933 he sponsored the National Industrial Recovery Act, and was a cosponsor of the laws setting up the Civilian Conservation Corps and extending $500,000,000 additional relief to the unemployed.

In the past decade, Senator WAGNER has redoubled his efforts in behalf of legislation for the national welfare. He sponsored the National Labor Relations Act, which safeguards the fundamental right of workers to organize and bargain collectively through representatives of their own choosing. He was the sponsor and champion of the Social Security Act, by which 66,000,000 men and women have earned rights toward old-age and survivors insurance and 35,000,000 workers are protected by employment insurance. He obtained the enactment of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, and recently introduced a bill which would liberalize the existing provisions of both of these acts and would add provisions for survivors benefits, sickness benefits, and maternity benefits.

In 1943, he introduced a comprehensive bill to expand and liberalize the benefits of the present Social Security Act. This bill would extend social security to millions of additional workers and would provide increased old-age and survivors insurance benefits, insurance against the costs of medical care and hospitalization, insurance against wage loss for the worker who becomes temporarily ill or disabled, a more effective Nation-wide system of public employment offices, a uniform national unemployment insurance system and an improved system of Federal grants-in-aid to the States for assistance to needy persons.

Senator WAGNER'S efforts to assure adequate housing for the American people are well known. He sponsored the United States Housing Act of 1937, which initiated a long-term slum-clearance and low-rent housing program, and the National Housing Act of 1938 which greatly enlarged and extended the powers of the Federal Housing Administration. He was one of the chief sponsors of the Home Loan Act which created the Home Owners' Loan Corporation and afforded protection to millions of distressed home owners. He sponsored legislation providing for a housing census, in connection with the census of 1940. In 1943, Senator WAGNER introduced legislation to assist cities and towns in postwar planning for adequate housing and land redevelopment. More recently, he introduced legislation calling for adequate research in the housing field.

From the beginning of the war emergency, Senator WAGNER has favored every important defense and war measure. He supported the lend-lease bill and its extensions, the lifting of the arms embargo and Selective Service Act, and adequate appropriations

for the expansion and strengthening of our armed forces. Senator WAGNER sponsored the amendments to the Trading With the Enemy Act authorizing the United States Treasury to "freeze" funds and accounts in the United States; and the law expanding the powers of the Export-Import Bank in promoting Latin-American trade and hemisphere solidarity. He sponsored legislation leading to the enactment of the Stabilization Act of 1942, which strengthened the hands of the President in stabilizing the cost of living and preventing a ruinous inflation.

Senator WAGNER was among the first to recognize the need for comprehensive planning to cope with the problems of the postwar period. As far back as 1941, he proposed the creation of a postwar advisory board and the advance planning of public works. These ideas have now been incorporated in legislation adopted by Congress. Recently he introduced and guided through the Senate a bill to increase the capitalization of the Smaller War Plants Corporation as a means of assisting smaller business enterprises to expand their activities in the postwar period. His current proposals for the expansion of our social-security system and for a vast program of urban redevelopment and slum clearance are generally regarded as the keystone of any sound postwar program.

For many years, Senator WAGNER has been actively fighting for legislation to protect the rights of minority groups, including a Federal antilynching bill, the abolition of the poll tax, and the establishment of a permanent Fair Employment Practice Committee. In 1944, he sponsored a resolution urging the United States to use its good offices in behalf of free entry of Jews into Palestine and full opportunity for full colonization of the Jewish homeland.

Senator WAGNER has played an active part in the passage of adequate legislation for the protection of veterans. He sponsored the law creating the United States Employment Service, under which a Veterans Placement Service was established, with offices throughout the country, to assist veterans in obtaining employment. Many of the provisions of the GI Bill of Rights stem from measures previously introduced by Senator WAGNER, including the unemployment compensation and employment service features. He successfully led the fight to retain in the GI bill a provision for 52 weeks of unemployment benefits for returning servicemen and women. To round out the program of assistance to veterans, Senator Wagner recently introduced a bill to protect the old-age and survivors insurance rights of servicemen by providing credits under the Social Security Act for the period of military service.

Senator WAGNER was one of the sponsors of the full employment bill of 1946 and was chairman of the committee which held hearings and reported the bill. In November 1945, together with Senator ELLENDER and Senator TAFT, he introduced the general housing bill which passed the Senate but died in the House. It has been reintroduced this year in slightly revised form and has been reported favorably to the Senate by the Banking and Currency Committee.

Senator WAGNER has been one of the leading proponents of a national health insurance and public health program and together with other sponsors again introduced that legislation. He has also reintroduced a revised antilynching bill.

From the Seventy-fifth Congress through the Seventy-ninth Congress, Senator WAGNER served as chairman of the Senate Committee on Banking and Currency, and was a member of the following committees: Foreign Relations, Interstate Commerce, Public Lands and Surveys.

From August 1933 to July 1934, Senator WAGNER was Chairman of the National Labor Board. In 1937 he was elected delegate-at-large to the New York State Constitutional Convention and was thereafter designated minority leader at the convention. Senator WAGNER was one of the four congressional delegates to the International Monetary Conference recently held at Bretton Woods, N. H.

Senator WAGNER is now serving as the ranking majority member of the Banking and Currency Committee.

Senator WAGNER'S residence is in New York City.

Mr. THOMAS of Utah. Mr. President, I would not feel right in keeping my seat and not associating myself in my humble way with the wonderful tribute which the Senator from New York has paid to our colleague, Senator WAGNER.

Senator WAGNER was a seatmate of mine for years in the Senate. While I was chairman of the Committee on Education and Labor Senator WAGNER had before that committee two of his great bills, the United States Housing Authority bill and the National Labor Relations bill. I was not chairman when the National Labor Relations Act was passed, but I was a member of the committee. Those two great bills of Senator WAGNER'S were introduced by a man who did not serve on that committee, but he had many friends on it.

While I was chairman of the Military Affairs Committee, Senator WAGNER was also a member of that committee; and in the Foreign Relations Committee for years he and I sat side by side in the deliberations of that committee.

Mr. President, I honored Senator WAGNER before I came to the Senate. He was one of the first Senators to greet me. When I told him who I was, he said, in his gratifying witty way, "I know you. I once saw your picture in a newspaper." I knew exactly what he meant.

Mr. President, the things which Senator WAGNER sponsored in the Senate are things which will never die, and the people of the United States who have been benefited by legislation introduced and promoted by him are so many and so widespread that his name will never die.

I do not want to say more than that as a colleague I honored him. As a seat mate, he was always companionable and always interested in what I was doing, as I was interested in what he was doing. As a great statesman, his measure will be written in our history, so I need not mention that. But I should like to bear testimony of his worth as an honest man and an earnest man. I appreciate this opportunity to say these few words about a fine friend.

Mr. TOBEY. Mr. President, I, too, wish to join with the distinguished Senator from New York [Mr. IVES] in paying my meed of tribute to BOB WAGNER, who has just resigned from the Senate after a long and wonderful career of activity.

It was my privilege to sit beside him in the Committee on Banking and Currency during his chairmanship. In those years together, in a very trying time in our Nation's history, I came to have not only respect but affection for BOB WAGNER which I shall cherish as long as life lasts.

As I watched the man and knew his interest in the common people of the country, I thought of what Lincoln said—that his chief aim in life was to have a sympathetic interest in those who have to carry the heavy end of the load. I think BOB WAGNER in his life here carried out the spirit of the immortal Lincoln.

I am sorry that he is leaving us by severing these ties, but as long as life lasts I shall hold him in great respect and affection. When the time comes in the life of BOB WAGNER, as it will in yours, Mr. President, and mine, and that of our colleagues; when the evening of life draws near and the shadows fall and our work is done, BOB WAGNER will be able to say, as I hope you and I will, "I have fought a good fight. I have kept the faith, and I have not been idle while I prayed 'Thy kingdom come; Thy will be done.' "

The VICE PRESIDENT. The Chair asks the indulgence of the Senate for just a moment because of the peculiar circumstances which affect this day.

In 1927, on the 4th of March, five new Senators entered this body. Four of them were from the House of Representatives and one from the bench. The Senator from Arizona [Mr. HAYDEN], the Senator from Maryland [Mr. TYDINGS], the Senator from Oklahoma [Mr. THOMAS], and I came over from the other body. Senator WAGNER came from the bench in New York.

During the 22 years until my own resignation in January, that quintet remained unbroken. During all those 22 years, Senator WAGNER and I became warm personal friends and associates. I served with him on the Committee on Banking and Currency during that whole time, and on the Committee on Foreign Relations during a large portion of it, as well as on other committees.

In all those relationships not only did there develop a warm personal affection and admiration, but a profound respect for his sincerity, his honesty, his courage, and his absolute devotion to the public service. He was among many millions of those who, born beyond the shores of the United States, came here as a lad and contributed in unusually great measure to the record of our legislative, political, and social life.

It is for all these reasons that I look upon his resignation with deep regret and profound sorrow, and I hope that he may yet find the recovery in health which he has sought, and which he so richly deserves.

I would not want this moment to pass without paying my tribute of profound affection, respect, and regard for this great public servant, and I wish to express my own personal regret at the necessity for his retirement from this body.

Mr. LUCAS. Mr. President, the statement just read by the distinguished junior Senator from New York [Mr. IVES] definitely sets forth the faith that BOB WAGNER had in the people whom he served in so many battles.

As a result of his resignation, the voice of BOB WAGNER will no longer be heard in this Chamber, speaking for the rights of humanity. In the statement accompanying his resignation he tells us that he has no misgivings about the future.

Mr. President, that optimism was one of the outstanding traits on the part of BOB WAGNER, who has served so long in the legislative halls of the Nation. His courage and his confidence in those who believe in the liberal tradition are as strong as ever. He is sure that we will meet the challenges of the present and the future, as we have met the challenges of the past.

The name of BOB WAGNER is linked to many of the major measures which have brought great blessings to the American people. He fought for the Social Security Act, for a national-housing program, for emergency relief and unemployment insurance, for adequate appropriations for national defense, for economic stabilization and full employment; and he was the one who took the lead in assuring labor a place of equality at the collective-bargaining table.

In the long line of illustrous men who have represented the conscience of America here in the Senate, ROBERT WAGNER stands high. He is one of those who have added luster to the shining traditions we cherish and admire. His name will be taken from the roll of the Senate, but it will remain in the minds of all of us who have shared in the struggles for progressive legislation.

I am grateful that I have had the opportunity of knowing BOB WAGNER during his days of battle and achievement. I am grateful that I have had the benefit of his wise counsel, the encouragement of his kindness and generosity, the stimulation of his far-reaching mind. I deeply regret that illness causes his resigning from the United States Senate. I salute him, and I hope he will have many joyous years ahead of him.

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a telegram which was sent to Senator WAGNER this morning by the members of the Banking and Currency Committee. That action was taken at the first meeting of the committee since Senator WAGNER resigned. It was the unanimous wish of the committee to pay their full and deep respects to him. So I ask that the telegram be printed at this point in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE ON
BANKING AND CURRENCY,
June 29, 1949.

HON. ROBERT F. WAGNER,
New York, N. Y.:

All members of Committee on Banking and Currency learned with deep regret that ill health has compelled you to resign as a Member of the Senate. All who have worked under your able chairmanship or who have read of your achievements will always remember the interminable hours, the indefatigable energy, the boundless devotion at the expense of your health and beyond the call of duty which have characterized your fruitful years as chairman of this committee and as one of the outstanding Senators of this era in the field of social legislation and in other fields. The Senate and the Nation have benefited from your leadership. Your constant watchfulness over the interests of the little people of America have earned you their lasting gratitude. Every member of this committee wishes you prompt recovery in order that you may truly enjoy in large measure the happiness which you have brought to millions. As chairman I shall continue to operate the committee in accordance with the high standard and fine tradition which you maintained throughout your chairmanship.

BURNET R. MAYBANK.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. LUCAS. Mr. President, I should like to discuss the unfinished business for a moment, with a view to obtaining unanimous consent as to the future course to be pursued.

The Senate will recall that on yesterday we had rather an extensive colloquy on the floor with respect to a unanimous-consent agreement on the substitute offered by the able Senator from Ohio to titles I, II, and IV of the Thomas substitute. On yesterday I discussed with the chairman of the Committee on Labor and Public Welfare and with practically all the Members on both sides of the aisle such a unanimous-consent agreement. At that time it seemed that perhaps we could obtain such an agreement today. In yesterday's debate, I laid the foundation for this request.

The only objection at the time came from the distinguished junior Senator from New York [Mr. IVES]. Although he did not seriously object to it at the time, he did say he had several amendments which he deemed it advisable to offer to the Taft substitute.

Mr. President, I have not discussed this matter since that time with the Senator from New York, but perhaps the statement I shall make now will help the Senator from New York in the dilemma in which he now finds himself. Obviously if we are successful in defeating the Taft substitute, we shall then move right along with the debate and no doubt a number of perfecting amendments will be offered to the Thomas substitute. I do not say I shall vote for such amendments, but I do say there are a number of perfecting amendments which will be offered if we can defeat the Taft substitute to titles I, II, and IV.

If we cannot defeat the Taft substitute, then it seems to me that will be practically the end of the consideration of labor legislation for the moment, so far as the Senate is concerned.

Obviously, I cannot tell what the vote will be. My hope is that we can defeat the Taft substitute. That was my hope yesterday on the Taft amendment to title III. We failed yesterday. I hope we are more successful when the vote comes on the Taft substitute to titles I, II, and IV. But if we should not be successful, it seems to me that we should be able to get a vote on the bill itself immediately following the vote on the Taft substitute.

Mr. IVES rose.

Mr. LUCAS. I yield now to the Senator from New York

Mr. IVES. I should like to inquire of the able Senator from Illinois at what hour he is asking that the vote be taken.

Mr. LUCAS. I shall put the unanimous-consent request in a moment.

Mr. IVES. I shall have a statement to make when the request is made.

Mr. LUCAS. I was going to ask that the vote be had at 2 o'clock tomorrow afternoon. However, let me say that in the event the Taft substitute is adopted, in view of what happened yesterday, I have no way of knowing what the President of the United States will do with that kind of a bill. But should the seizure and injunction provisions remain in the bill—as they are at the present time—and should the Taft substitute dealing with the closed shop, the rights of the States, with suability of unions, with a virtual ban on all secondary boycotts, with the labor injunction, and with other important matters be adopted, I have no hesitancy in predicting that the President of the United States will veto that kind of a bill. I have not talked with the President about it, but I am making that statement upon my own responsibility.

With that thought in mind, it seems to me we should move along as fast as we can and take final action upon the labor bill.

I yield now to the Senator from New York.

Mr. IVES. I am still waiting for the Senator from Illinois to make his request.

Mr. LUCAS. Very well; I shall do so, if that is all the Senator from New York wants.

Mr. IVES. That is all I want.

Mr. LUCAS. Mr. President, I ask unanimous consent that on the calendar day of Thursday, June 30, 1949, at not later than the hour of 2 o'clock p. m., the Senate proceed to vote without further debate on the amendment in the nature of a substitute proposed by the Senator from Ohio [Mr. TAFT], for himself and other Senators, to titles I, II, and IV of the substitute proposed by the Senator from Utah [Mr. THOMAS] to Senate bill 249, the National Labor Relations Act of 1949, or on any amendments proposed thereto; and that the time for debate on the amendment, starting at 12 o'clock tomorrow, be controlled equally by the Senator from Ohio [Mr. TAFT] and the Senator from Utah [Mr. THOMAS].

The VICE PRESIDENT. Is there objection to the request?

Mr. IVES. Mr. President, reserving the right to object, yesterday when the distinguished majority leader, the Senator from Illinois [Mr. LUCAS], indicated that he might attempt to obtain a unanimous-consent agreement to vote on the pending Taft substitute at 2 o'clock on Thursday, I indicated that I might object, in view of the fact that I intended to present perfecting amendments to the Taft substitute.

Since that statement was made by the majority leader, I have considered the situation carefully and have reached a decision in the light of the following facts: First, the Senate Committee on Labor and Public Welfare, in reporting the Thomas Bill, afforded no opportunity in executive session for any Senator to offer amendments; second, after being reported to the calendar on March 8, 1949, the Thomas bill was not brought up for debate until June 6, 1949, an interval of 3 months; third, as everyone knows,

we have spent three full weeks in debate on it, and yesterday we finally reached a vote on title III, which to my mind constitutes only about 10 percent of the substance of the entire bill or of the two Taft substitutes; fourth, from the record votes of yesterday it is quite evident that those who supported the Taft substitute for title III are likely to support the pending over-all Taft substitute, and that any perfecting amendments which I might offer would be doomed to probable defeat.

I believe that, if the request of the majority leader is agreed to, which would bring this debate to a close tomorrow, there is only one course of action I can follow. Under such a condition, therefore, I shall move no perfecting amendments either to the Thomas bill or to the pending Taft substitute. Instead I expect to vote against the Taft substitute and, if a vote is had on the Thomas bill as replaced by it, to vote also against it. Neither can I vote for the Thomas bill in its present form.

I find many of the provisions in the pending substitute amendment offered by the distinguished Senator from Ohio to be meritorious, but its retention of several important and controversial parts of the Taft-Hartley Act, with which I am not in accord, would seem to leave me no alternative other than to vote against it. Therefore, Mr. President, I offer no objection to the request of the able Senator from Illinois.

Mr. WHERRY. Mr. President, reserving the right to object, I inquire of the distinguished Senator from Illinois, the majority leader, whether the unanimous-consent request is interpreted to mean that any amendments which are offered may be debated up until 2 o'clock, but that amendments are in order after 2 o'clock, though not subject to debate. Is that correct?

Mr. LUCAS. I do not quite understand the Senator's inquiry.

The VICE PRESIDENT. The Chair can settle that.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Would amendments be in order after 2 o'clock, but not subject to debate?

The VICE PRESIDENT. Amendments would be in order after 2 o'clock, but not subject to debate.

Mr. WHERRY. I thought that statement should be made.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHERRY. If I may finish with another question——

Mr. TAFT. Certainly.

Mr. WHERRY. I was not through with the statement. I have another question I should like to ask. However, if the Senator wants to speak on the point just raised, I shall be glad to defer to him.

Mr. TAFT. Mr. President, the only question I raise is, When are the amendments to my amendment to be presented? Can all of them be presented today?

Mr. LUCAS. I think if any amendments are to be presented, they should be presented today.

Mr. WHERRY. Mr. President, that is the reason for my inquiry of the Chair. I think Senators should know that if they want to offer amendments and to speak on them, the amendments should be offered today, because, after 2 o'clock, even though an amendment be offered, it would not, under the proposed agreement, be subject to debate. Is not that correct?

The VICE PRESIDENT. That is correct.

Mr. TAFT. Mr. President, let me suggest another modification, in the interest, it seems to me, of orderly procedure. I suggest that when we begin to vote on the amendments at 2 o'clock, if any Senator desires to speak not to exceed 15 minutes on his amendment, he may do so, and that I may have 15 minutes to reply before the vote is taken on the amendment. It seems to me that the procedure by which amendments are voted on, bang, bang, bang, without warning, without any opportunity to consider the particular amendment, is a rather arbitrary procedure and a difficult one.

Mr. LUCAS. The Senator from Illinois will settle for 5 minutes.

Mr. TAFT. How about 10?

Mr. LUCAS. Very well. I will accept that modification, at the suggestion of the Senator from Ohio, limiting debate on amendments to the Taft amendment to 10 minutes. From what I have heard, I do not believe that any amendments are going to be offered, but if they are offered, the modification suggested is certainly acceptable to me.

Mr. TAFT. Mr. President, we ourselves may desire to offer amendments of different sorts in connection with questions which may be raised and which we have not had the time to consider, and we may wish to explain why those amendments are acceptable. My proposal is only that, if the proponent of an amendment desires to speak 10 minutes before the vote, he may do so, in which case the opponent of the amendment could have 10 minutes for reply.

Mr. LUCAS. I accept that modification.

The VICE PRESIDENT. Will the Senator from Ohio let the Chair ask him a question? This situation may arise: Suppose an amendment or a perfecting amendment is offered to the original text of the Thomas bill, would the 10-minute debate apply to that offer?

Mr. TAFT. I understand not. I was speaking only of amendments to the Taft substitute. The unanimous-consent agreement is that we may vote on the substitute and all amendments thereto, as I understand.

Mr. LUCAS. The Senator is correct.

The VICE PRESIDENT. If the amendment is adopted, and even before the vote on the substitute, perfecting amendments may be offered to the original text. That is what the Chair had in mind in the inquiry.

Mr. TAFT. My understanding is that the unanimous-consent agreement would shut off consideration of such amendments, which might raise many new questions.

The VICE PRESIDENT. The Chair understands then that the modified request for 10 minutes on each side applies only to amendments to the Taft substitute.

Mr. WHERRY. That is correct.

Mr. LUCAS. The Vice President is correct. Any amendment that might be offered to the Thomas substitute would be considered thereafter.

Mr. WHERRY. Mr. President, will the majority leader yield for another question?

Mr. LUCAS. I yield.

Mr. WHERRY. It is the intention of the distinguished majority leader, is it not, should the Taft substitute be adopted, to continue right on with the pending labor bill until a final vote may be had on it? Is that correct? I understood that was the statement.

Mr. LUCAS. Whether the Taft substitute carries, or whether it does not, we shall continue right along until we finish the labor bill. I hope to finish it Thursday afternoon, if the Taft substitute carries. If it does not carry, there may be a number of amendments to be offered, and, in that event, no doubt we will not be able to finish the bill until we come back after the Fourth of July.

Mr. WHERRY. Inasmuch as there is to be a short vacation, I thought the Senate should know that the intention is to finish action on the bill Thursday afternoon, if possible.

Mr. LUCAS. That is correct.

Mr. AIKEN. Mr. President, the majority leader has expressed the opinion that in view of the fact that provision for seizure and injunction was written into the bill yesterday afternoon, if the pending Taft substitute carries, it is very unlikely that the completed bill would be signed by the President. Does the majority leader have any opinion as to whether it would be possible still to enact legislation that would be signed by the President, in the event that the complete Taft substitute is defeated?

Mr. LUCAS. I should say it would make it much more palatable, if the substitute were defeated. That is my own opinion, and I think perhaps that opinion is shared by other Senators. I do not care to risk an opinion as to what the President might do under such a state of facts.

Mr. AIKEN. I asked the question because it appeared to me that the action of yesterday in simply putting the authorization for seizure and injunction in writing should not warrant a veto, in view of the fact that the original Thomas bill assumes that the President has that power anyway. It would be my hope that it would be possible to complete the bill in such form that it would be better than the law which is now on the books, and would be nearly enough acceptable to the President so that it could become a law.

Mr. LUCAS. I thank the Senator.

The VICE PRESIDENT. The Chair would like to say that debate on the merits of the bill at this time is not in

order. The question is, Is there objection to the request of the Senator from Illinois?

Mr. McCLELLAN. Mr. President, reserving the right to object, I should like to ask the majority leader whether he will modify his request further to require that all amendments offered either to the original bill or to the pending Taft substitute shall be germane to the bill and to the substitute. I think the request should be modified to the extent I have suggested.

Mr. LUCAS. I think the Senator from Arkansas is unduly alarmed about extraneous matters.

Mr. McCLELLAN. I am not unduly alarmed. I do not want to permit anything like that to occur, I will say to the Senator.

Mr. LUCAS. I do not think I have any objection to such a modification.

Mr. McCLELLAN. If the request is so modified, Mr. President, I have no objection.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, reserving the right to object, the only part of the request which causes me concern is that part which led to the colloquy between the majority leader and the minority leader with reference to consideration of the Thomas bill in the event the Taft amendment is either adopted or rejected tomorrow afternoon. I had understood the earlier statement of the majority leader to be that he understood numerous amendments would be offered in the event the Taft amendment should be rejected. I am, of course, interested in an amendment which I sent forward some days ago and which has been printed and is lying on the table, having to do with the rights of the States which have in their constitutions adopted anti-closed-shop provisions. I think several Senators will want to be heard on that particular amendment. So I should like the majority leader, if he will, to clarify exactly what he has in mind with reference to proceeding to an early vote upon the Thomas bill in the event of the defeat of the Taft amendment.

Mr. LUCAS. I do not believe I can clarify it any more than I have. We shall continue with the labor bill, irrespective of what happens to the Taft substitute, if a unanimous-consent agreement is entered into. In other words, if the Taft substitute is defeated, I presume a number of amendments, including the one which the Senator from Florida has in mind, will be offered. If the Taft substitute be adopted, there may be a vote on the bill itself. There is nothing left to do except to debate the bill as amended by the Senator from Ohio, and then to take a vote. That is the true situation, as I see it. It does not seem to me there is anything else we can do.

Mr. HOLLAND. Am I to understand that there is no intention on the part of the majority leader to limit or restrict debate in any way on amendments offered in the event the Taft amendment shall be rejected?

Mr. LUCAS. No. The unanimous-consent agreement has nothing to do with that proposition.

Mr. HOLLAND. I have no objection.

The VICE PRESIDENT. Is there objection to the unanimous-consent request propounded by the Senator from Illinois [Mr. LUCAS]? The Chair hears none, and it is so ordered.

Mr. LUCAS. Mr. President, I ask unanimous consent that the clerk be permitted to read a letter which I have just received from William Green, president of the American Federation of Labor, on this question.

The VICE PRESIDENT. Without objection, it is so ordered.

The legislative clerk read as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., June 29, 1949.

The Honorable SCOTT W. LUCAS,
Majority Leader, United States Senate,
Washington, D. C.

MY DEAR SENATOR: I understand that you are to make a unanimous-consent request, after the Senate convenes today, that the Senate proceed to vote immediately upon the Taft substitute for sections 1, 2, and 4 of the Thomas bill, S. 249.

It is respectfully requested that you advise the Senate that at a meeting of representatives of A. F. of L. State federations of labor, city central labor unions, national and international unions, the national legislative council, the national legislative committee and labor's league for political education, held this morning, a motion was unanimously adopted to heartily support your contemplated proposal.

We feel that amendments designed to make the Taft bill more palatable would be useless and a waste of time, as the action yesterday in the Senate, in regard to section 3 of the bill, makes it absolutely unacceptable.

We hope that our request will be granted, and that the Senate will proceed immediately to vote today on both the Taft substitute and the Thomas bill as amended, without further amendments being presented. We trust that both will be defeated.

Very truly yours,

WILLIAM GREEN,
President, American Federation of Labor.

CONFIRMATION OF NOMINATIONS OF 31 FLYING CADETS

Mr. TYDINGS. Mr. President, as in executive session, I ask unanimous consent that the nominations of 31 distinguished flying cadets, who have just passed the test and are about to be inducted into the Air Force and commissioned as second lieutenants, may be confirmed and the President notified.

The VICE PRESIDENT. Without objection, as in executive session, the nominations are confirmed, and the President will be notified.

TRANSACTION OF ROUTINE BUSINESS

Mr. TAFT. Mr. President, I desire to speak on the pending amendment. I have no desire to interfere with routine business, if the Senator from Illinois wishes to make a unanimous-consent request.

The VICE PRESIDENT. Unless there is objection, before any Senator is recognized to speak on the pending business, the Chair will recognize Senators who wish to present routine matters. Is there objection? The Chair hears none.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, TREASURY DEPARTMENT (S. Doc. No. 93)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $40,000, for the Treasury Department, fiscal year 1949 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, THE JUDICIARY, SUPREME COURT OF THE UNITED STATES (S. Doc. No. 94)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $5,000, for the Judiciary, Supreme Court of the United States, fiscal year 1949 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROPOSED PROVISION PERTAINING TO APPROPRIATION FOR FEDERAL SECURITY AGENCY (S. Doc. No. 92)

A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an appropriation for the Federal Security Agency, for the fiscal year 1950 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

FUNDS FOR COLLECTING, EDITING, AND PUBLISHING CERTAIN PAPERS RELATING TO UNITED STATES TERRITORIES

A letter from the Secretary of State, transmitting a draft of proposed legislation to increase the annual authorization for the appropriation of funds for collecting, editing, and publishing of official papers relating to the Territories of the United States (with accompanying papers); to the Committee on Rules and Administration.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

INVESTIGATION OF INTERSTATE TRAFFIC IN SUBVERSIVE TEXTBOOKS AND TEACHING MATERIALS—PETITION

Mr. WILLIAMS. Mr. President, I present for appropriate reference a petition of the Delaware Society, Sons of the American Revolution, Wilmington, Del., calling for an investigation of the interstate traffic in subversive textbooks and teaching materials, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

Petition for redress of grievances

To the Senate and House of Representatives of the Congress of the United States:

We hereby petition for an independent and impartial investigation of the interstate traf-

fic in subversive textbooks and teaching materials as requested in the petitions now on file presented by the National Society and the California Society of the Sons of the American Revolution, and we do hereby join and make ourselves a party to those proceedings.

We request the Congress to grant us all relief possible in this matter by determining the facts and giving them to the people with appropriate recommendations.

Dated this 24th day of June 1949, in the city of Wilmington, State of Delaware.

DELAWARE SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION,
By THEODORE MARTIN, *President.*
CARLTON A. BRIDGHAM, *Secretary.*

MISSOURI-SOURIS PROJECTS — RESOLUTION OF MISSOURI-SOURIS PROJECTS ASSOCIATION, WOLF POINT, MONT.

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Missouri-Souris Projects Association at Wolf Point, Mont., relating to the Missouri-Souris projects.

There being no objection, the resolution was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

Members of the Missouri-Souris Projects Association at Wolf Point, Mont., on June 16, 1949. Present the board of directors and more than 200 members.

The following resolution was offered before the entire membership:

"To the Subcommittee on Interior Appropriations of the Senate of the United States and to Senators James E. Murray, Zales N. Ecton, Congressman Wesley A. D'Ewart, Members of Congress from the State of Montana, and to Senators Milton R. Young, William Langer, and Congressmen William Lemke and Usher L. Burdick of North Dakota, Fred J. Fredrickson, North Dakota Resources Board, E. W. Rising, Montana Legislative Coordinator:

"We, directors and members of the Missouri-Souris Projects Association, wish to extend our special appreciation for the considerate hearing granted our committee, consisting of Gov. Fred G. Aandahl, Al R. Weinhandl, Otto Christianson, John Simard, and Einar Madsen, before your committee, as well as the assistance given us by the delegation in Congress from the States of Montana and North Dakota in the presentation of the very serious situation confronting northeastern Montana and North Dakota. Realizing the stress of work pending in Congress, we are still hopeful that the importance of appropriating funds for a commencement of project construction of the Missouri-Souris projects will not be delayed beyond the present session of Congress. Evidences of drought have been and are only too prevalent at this date.

"Be it further moved that the resolutions be forwarded to the Subcommittee on Appropriations for the Interior Department and individual Members of Congress of the two States named. Unanimously adopted."

HALVOR L. HALVORSON,
Chairman.

USE OF BURLINGTON PROJECT BY DISABLED VETERANS—RESOLUTION OF DEPARTMENT OF NORTH DAKOTA DISABLED AMERICAN VETERANS ORGANIZATION

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a letter from E. O. Podell, State Adjutant, Department of North Dakota Disabled American Veterans, Minot, N. Dak., embodying a resolution adopted by the State executive committee of that organization, relating to the use of the Burlington project by disabled veterans.

There being no objection, the letter was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF NORTH DAKOTA,
DISABLED AMERICAN VETERANS,
June 24, 1949.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: The writer has been instructed to make known to you a motion which was duly proposed, seconded, and unanimously passed at an official meeting of the State executive committee of the Department of North Dakota Disabled American Veterans organization, held on June 12, 1949.

The motion is as follows:

"I move that all Members of Congress of North Dakota be requested to give their assistance and cooperation to see that the Governor and the industrial commission of North Dakota complies with the congressional directive that the Burlington project be devoted to the exclusive use of the disabled veterans at the earliest possible date, and that copies of this motion be sent to your Governor, members of the industrial commission and all Members of the Congress of North Dakota."

Motion by R. A. Buttz, commander, district No. 4, Minot, N. Dak.

Seconded by C. C. Foster, immediate past State commander, Minot.

Yours very truly,

E. O. PODELL,
State Adjutant.

PLEDGE OF ALLEGIANCE TO THE FLAG STAMP—RESOLUTION OF PENNSYLVANIA STATE AERIE, FRATERNAL ORDER OF EAGLES

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of a resolution unanimously adopted by the Pennsylvania State Aerie, Fraternal Order of Eagles, at its thirty-eighth annual convention in Pittsburgh, Pa., on June 17, 18, 19, 1949, relating to pledge of allegiance to the flag stamp.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States approved a resolution in 1945 officially adopting the pledge of allegiance to the flag of the United States of America, thereby vesting said pledge of allegiance with the same patriotic fervor that attends our national anthem; and

Whereas Hon. H. P. EBERHARTER on April 25, 1949, sponsored House bill H. R. 4320 whereby Congress authorized the issuance of a new stamp having thereon an imprint of the Capitol of the United States, the flag of the United States, and the official pledge of allegiance to the flag; and

Whereas the authority of the Postmaster General of the United States to select commemorative issues of stamps is limited to 12 from more than 70 requests submitted for consideration; and

Whereas the selection of the official pledge of allegiance stamp would be in the interest of Americanism: Now, therefore, be it

Resolved by the Pennsylvania State Aerie, Fraternal Order of Eagles, in its thirty-eighth annual convention assembled at Pittsburgh, June 17, 18, and 19, 1949, That the Postmaster General of the United States be requested to select the official pledge of allegiance to the flag stamp as a commemorative issue and further, if said stamp is selected that it be first placed on sale in the post office at Pittsburgh, Allegheny County, Pa., and further that copies of this resolution be sent to Hon. Jesse M. Donaldson, Postmaster General of the United States, Hon. Joseph J. Lawler, Assistant Postmaster General of the United States, Senator Francis J. Myers, Senator Edward Martin, and Congressmen Harry J. Davenport, Robert J. Corbett, James G. Fulton, Herman P. Eberharter, and Frank Buchanan.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. ANDERSON, from the Committee on Agriculture and Forestry:

S. 1962. A bill to amend the cotton marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; with an amendment (Rept. No. 597).

STANDING COMMITTEE ON SMALL BUSINESS—REPORT OF A COMMITTEE

Mr. WHERRY. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 58, the so-called Holland-Wherry resolution, to amend the Senate rules by creating a standing Committee on Small Business, and I submit a report (No. 598) thereon.

The VICE PRESIDENT. The report will be received and the resolution will be placed on the calendar.

REDUCTION OF FEDERAL EXPENDITURES

Mr. WHERRY. Mr. President, while I have the floor, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a copy of a letter which I have sent to the Senator from Arkansas [Mr. MCCLELLAN], chairman of the Committee on Expenditures in the Executive Departments, in answer to a request made of the majority leader and of me to arrange for a day when Senate Joint Resolution 108, to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, may be considered by the Senate. Inasmuch as the request of the Senator from Arkansas to me was printed in the RECORD, at his request, I now ask that my reply be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
June 29, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, United States Senate, Washington, D. C.

DEAR SENATOR MCCLELLAN: This is to acknowledge receipt of your letter of June 27, last, with petition attached.

This petition signed by 61 Members of the Senate and urging adoption of Senate Joint Resolution 108 is a wholesome sign in an atmosphere of extravagant spending of the taxpayers' money. It is my belief that passage of Senate Joint Resolution 108, with its authorization to the President to reduce Government expenditures in fiscal 1950 by not less than 5 percent nor more than 10 percent, would accomplish more to arrest the current downward trend in national income than any other action the Congress could

take. Notice by Congress that it is directing its efforts toward a balanced budget, as passage of Senate Joint Resolution 108 would give, would, in my opinion, do much to strengthen confidence among the people.

Having had a part in the preparation and sponsorship of Senate Joint Resolution 108, you may be assured I shall cooperate in every feasible way to facilitate Senate consideration of the joint resolution.

Cordially yours,

KENNETH S. WHERRY.

REPORTS OF PERSONNEL AND FUNDS BY COMMITTEES

Pursuant to Senate Resolution 123, Eighteenth Congress, first session, the following reports were received by the Secretary of the Senate:

JUNE 30, 1949.

REPORT OF COMMITTEE ON ARMED SERVICES

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eighteenth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from January 3, 1949, to June 30, 1949, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
J. Nelson Tribby, chief clerk [1]	$10,330.00	$4,304.17
Justice M. Chambers, staff adviser	10,330.00	5,165.00
Mark H. Galusha, staff adviser	10,330.00	5,165.00
Verne D. Mudge, staff adviser	10,330.00	5,165.00
Herbert S. Atkinson, assistant chief clerk	6,770.54	3,385.27
Georgia P. Earle, clerical assistant	3,956.56	1,978.28
Irene P. Gray, clerical assistant	3,956.56	1,978.28
Roberta Van Beck, clerical assistant	3,956.56	1,978.28
John G. Adams, chief clerk [2]	10,330.00	860.83

Funds authorized or appropriated for committee expenditure	$10,000.00
Amount expended	8,290.20
Balance unexpended	1,709.80

[1] Effective Feb. 1, 1949.
[2] Terminated Jan. 31, 1949.

M. E. TYDINGS,
Chairman.

JUNE 30, 1949.

REPORT OF COMMITTEE ON THE DISTRICT OF COLUMBIA

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eighteenth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from January 1, 1949, to June 30, 1949, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
A. L. Wheeler, chief clerk	$10,330.00	$4,045.90
J. George Stewart, professional staff	10,330.00	4,950.81
James R. Kirkland, counsel-assistant chief clerk	9,301.11	4,650.54
Thos. S. Henderson, professional staff	7,879.08	3,939.54
Edna L. Ward, assistant clerk	4,949.73	2,226.54
Ruth Wallace, assistant clerk	4,618.68	2,061.03
Anna H. Monat, assistant clerk	4,204.86	735.84

Funds authorized or appropriated for committee expenditure	$10,000.00
Amount expended	1,278.22
Balance unexpended	8,721.78

J. HOWARD MCGRATH,
Chairman.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Utah:

S. 2160. A bill to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. HUNT (for himself, Mr. WITHERS, and Mr. LODGE):

S. 2161. A bill authorizing the President to impound certain appropriated moneys; to the Committee on Expenditures in the Executive Departments.

By Mr. LONG:

S. 2162. A bill to amend the Social Security Act so as to provide for aid to disabled needy individuals; to the Committee on Finance.

S. 2163. A bill to authorize the transfer of the vessel *Black Mallard* from the Fish and Wildlife Service of the Department of the Interior to the Department of Wild Life and Fisheries of the State of Louisiana; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER:

S. 2164. A bill to authorize the Secretary of the Interior, through the Bureau of Reclamation, to construct, operate, and maintain certain works in the Columbia River Basin, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MCCARTHY:

S. 2165. A bill for the relief of Victor Tenaglia; to the Committee on the Judiciary.

S. 2166. A bill to make farm loan bonds issued under authority of the Federal Farm Loan Act obligations of the United States; to the Committee on Agriculture and Forestry.

By Mr. DOUGLAS (for himself and Mr. BALDWIN):

S. 2167. A bill to provide for the lease of the Belasco Theater to the American National Theater and Academy for the presentation of theatrical and musical productions, and for other purposes; to the Committee on Public Works.

By Mr. HUMPHREY:

S. 2168. A bill for the relief of Henry J. Lim (with an accompanying paper); and

S. 2169. A bill for the relief of Howard L. Christie (with an accompanying paper); to the Committee on the Judiciary.

By Mr. MCCLELLAN:

S. 2170. A bill for the relief of W. P. Bartel; to the Committee on Expenditures in the Executive Departments.

By Mr. GURNEY:

S. 2171. A bill authorizing an appropriation for the removal and reestablishment of Indians of the Yankton Indian Reservation, S. Dak., to be removed from the taking area of the Fort Randall Dam and Reservoir, Missouri River Development, and for related purposes; to the Committee on Interior and Insular Affairs.

TEMPORARY PAY OF EMPLOYEES OF FORMER SENATOR WAGNER

Mr. IVES submitted the following resolution (S. Res. 129), which was referred to the Committee on Rules and Administration:

Resolved, That the administrative and clerical assistants appointed by Senator ROBERT F. WAGNER for service in his office and carried on the Senate pay roll at the time of his resignation from the Senate, shall be continued on such pay roll at their respective salaries for a period not to exceed 60 days, payments therefor to be made from the contingent fund of the Senate.

EXTENSION OF CIVIL SERVICE RETIREMENT BENEFITS TO CERTAIN EMPLOYEES—AMENDMENT

Mr. MCCARTHY submitted an amendment intended to be proposed by him to the bill (S. 988) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55, which was ordered to lie on the table and to be printed.

COTTON MARKETING QUOTA—AMENDMENT

Mr. JOHNSON of Colorado (for himself and Mr. MILLIKIN) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 1962) to amend the cotton-marketing-quota provisions of the Agricultural Adjustment Act of 1938, as amended, which was ordered to lie on the table and to be printed.

UNIFORM CODE OF MILITARY JUSTICE—AMENDMENTS

Mr. TOBEY submitted sundry amendments intended to be proposed by him to the bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the Disciplinary Laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice, which were ordered to lie on the table and to be printed.

NATIONAL LABOR RELATIONS ACT OF 1949—AMENDMENTS

Mr. BUTLER submitted an amendment intended to be proposed by him to the amendment proposed by Mr. TAFT (for himself, Mr. SMITH of New Jersey, and Mr. DONNELL) to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. BYRD. Mr. President, I submit an amendment intended to be proposed by me to the amendment proposed by Mr. TAFT (for himself, Mr. SMITH of New Jersey, and Mr. DONNELL) to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, and I ask unanimous consent that an explanatory statement of the amendment by me be printed in the RECORD).

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table, and, without objection, the statement presented by the Senator from Virginia will be printed in the RECORD.

The statement presented by Mr. BYRD is as follows:

STATEMENT BY SENATOR BYRD

The amendment which I have offered is a substitute for the so-called free-speech clause which appears as part of the pending amendment offered by the Senator from Ohio, Mr. TAFT. If it is adopted, it would amend the corresponding provisions of the Taft-Hartley Act in two respects and meet two outstanding criticisms which have been made with respect to the present subsection.

Under existing law it is provided that the expression of any views or arguments, which are noncoercive in character, shall not constitute an unfair labor practice. My amendment retains this salutary principle. But the present law goes further in also providing that expressions of views or arguments shall not be evidence of an unfair labor practice. A number of union officials have argued that this introduces an exclusionary rule of evidence which is unique in our system of jurisprudence because even though speech might be harmless in itself, it might throw light upon a man's motive. For example, it has been argued that if an employer privately told an employee that he was violently opposed to labor unions and if that employee were fired the next day after he had joined the labor union, the effect of the present law would be to prevent the Board from considering the employer's conversation in attempting to ascertain the motive for the discharge. My amendment would give the Board complete latitude so far as considering such relevant evidence is concerned, if it is adopted would delete from existing law the words "or be evidence of." My amendment would also alter existing law so as to guarantee both to employers and labor organizations complete freedom of speech in organizing campaigns. In the General Shoe case a majority of the National Labor Relations Board held that the free-speech subsection of the Taft-Hartley Act applied only to complaint cases and not to representation proceedings. Consequently, in that case the Board set aside an election because an employer had made certain arguments against unionism to his employees, although the Board conceded that the argument in question was free of any threat of reprisal or promise of benefit. This decision was widely criticized in industrial-relations circles as doing violence to the principle of free speech for both sides in labor disputes. Consequently, my amendment like the amendment proposed by the Senator from Ohio would prevent the Board from setting aside any elections as long as the arguments made on either side contained neither threats nor promises of benefit. While my amendment therefore does not differ in any substantial respect from the corresponding language of the text in the pending substitute, I believe it is superior from the standpoint of draftsmanship since it follows the language of existing law except to eliminate the rule of evidence which I think is the subject of legitimate criticism.

In my opinion the language of the proposed substitute is unsatisfactory in that it uses such vague phrases as "under all the circumstances" and "express or implied." These words do not appear in the Taft-Hartley Act and are susceptible of misinterpretation. In any event such language would provoke a considerable volume of unnecessary litigation until it is authoritatively construed. I submit to the Senate that in amending existing law the best technique is to retain language which has received a construction generally regarded as correct by all parties and to eliminate merely the language which has created difficulty.

ADDRESS BY SENATOR WHERRY AT SEVENTY-FIFTH ANNIVERSARY CELEBRATION OF CREIGHTON, NEBR.

[Mr. WHERRY asked and obtained leave to have printed in the RECORD the address delivered by him at the seventy-fifth anniversary celebration of the town of Creighton, Nebr., on June 23, 1949, which appears in the Appendix.]

THE CIVIL-RIGHTS PROGRAM—STATEMENT BY SENATOR ROBERTSON

[Mr. EASTLAND asked and obtained leave to have printed in the RECORD a statement regarding the civil-rights program made by Senator ROBERTSON before the Committee on the Judiciary on June 29, 1949, which appears in the Appendix.]

REPORT BY SENATOR KILGORE ON THE DEVELOPMENT OF SYNTHETIC-FUELS INDUSTRY

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a report prepared by him on the subject of the development of synthetic fuels in the United States, which appears in the Appendix.]

THE REAL DANGER: FEAR OF IDEAS—ARTICLE BY HENRY STEELE COMMAGER

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "The Real Danger: Fear of Ideas," by Henry Steele Commager, from the New York Times magazine of June 26, 1949, which appears in the Appendix.]

COMMENCEMENT ADDRESS BY BERNARD M. BARUCH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address delivered by Hon. Bernard M. Baruch at the commencement exercises commemorating the twenty-fifth anniversary of the formation of the Industrial College of the Armed Forces, in Washington, D. C., June 28, 1949, which appears in the Appendix.]

MEMORIAL DAY ADDRESS BY LT. COMDR. WILLIAM G. EARLES, UNITED STATES NAVY

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD a Memorial Day address delivered at the City Hall Plaza, Portland, Maine, by Lt. Comdr. William G. Earles, U. S. Navy, which appears in the Appendix.]

PINCHOT NATIONAL FOREST—EDITORIAL FROM THE SCRANTON TIMES

[Mr. MYERS asked and and obtained leave to have printed in the RECORD an editorial entitled "Pinchot National Forest," from the Scranton Times of June 23, 1949, which appears in the Appendix.]

CONDITIONS IN HAWAII—EDITORIAL FROM THE HONOLULU ADVERTISER

[Mr. MCCARTHY asked and obtained leave to have printed in the RECORD an editorial regarding conditions in Hawaii, from the Honolulu Advertiser of June 20, 1949, which appears in the Appendix.]

THE STRIKE SITUATION IN HAWAII—EDITORIAL COMMENT

[Mr. BUTLER asked and obtained leave to have printed in the RECORD two editorials relating to the strike in Hawaii, one from the Los Angeles Times of June 26, and one from the New York Times of June 25, 1949, which appear in the Appendix.]

NEBRASKA'S GAIN IN FACTORY JOBS—ARTICLE FROM OMAHA WORLD-HERALD

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Nebraska's Gain in Factory Jobs Leading Nation," published in the Omaha World-Herald of June 26, 1949, which appears in the Appendix.]

THE NETHERLANDS EDUCATION SYSTEM—ARTICLE BY E. F. SCHROEDER

[Mr. LODGE asked and obtained leave to have printed in the RECORD an article entitled "The Dutch Show the Way," written by E. F. Schroeder and published in the magazine America under date of April 23, 1949, which appears in the Appendix.]

STATEMENT BY INTERNATIONAL CHIROPRACTIC ASSOCIATION ON NATIONAL HEALTH BILLS

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a statement by the International Chiropractic Association with reference to the position of that organization on national health bills, which appears in the Appendix.]

GOETHE BICENTENNIAL CONVOCATION AND MUSIC FESTIVAL, 1949

[Mr. LANGER asked and obtained leave to have printed in the RECORD a pamphlet entitled "Goethe Bicentennial Convocation and Music Festival, 1949," to be held at Aspen, Colo., June 27 to July 16, 1949, which appears in the Appendix.]

INVESTIGATION OF AMERICANS INVOLVED IN GERMAN CARTELS

[Mr. LANGER asked and obtained leave to have printed in the RECORD a statement by the People's Lobby, Inc., of Washington, D. C., dated June 29, 1949, and entitled "Congress Leaders Asked To Investigate Americans Involved in German Cartels," which appears in the Appendix.]

TIME TO BEGIN—EDITORIAL FROM WALL STREET JOURNAL

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an editorial entitled "Time To Begin," published in the Wall Street Journal for Wednesday, June 22, 1949, concerning the Hoover Commission's recommendations for the reorganization of the Federal Government, which appears in the Appendix.]

SHERIFFS AND MOBS—EDITORIAL FROM WASHINGTON POST

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD an editorial from the Washington Post of June 29, 1949, entitled "Sheriffs and Mobs," which appears in the Appendix.]

THAT WORD "INJUNCTION"—EDITORIAL FROM JOHNSTOWN (PA.) TRIBUNE

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial published in the Johnstown Tribune of June 13, 1949, entitled "That Word 'Injunction,'" which appears in the Appendix.]

AMERICAN RELATIONS WITH SOVIET UNION

Mr. WILEY. Mr. President, I send to the desk a statement regarding American relations with the Soviet Union, which I ask be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

THE MYSTERY OF SOVIET RUSSIA

The greatest question mark in the world today concerns the attitude of the leaders of the Soviet Union in relation to the problem of world peace. It is the hope of mankind that the some dozen men in the Politburo will not take any steps which will plunge

their homeland into a disastrous war. We do not believe that war with Russia would accomplish any good; we do not believe that war with Russia is necessary or even inevitable.

We do believe, however, that we must be alert and vigilant against aggression and that we must indicate in unmistakable terms to the Russians that we are fully prepared against any emergency. At the same time, we must sincerely extend a hand of friendship to the Russian people, against whom we have no quarrel, toward whom we feel no bitterness, and whom we only pity because of the dictatorship in which they are enslaved.

News reports from Russia are at best fragmentary. They scarcely reveal what is truly going on behind the iron curtain. Nevertheless, from reports that we do receive from Russia and her satellite countries, all is not well.

It is our prayer that the leaders of Russia will not try the old technique of creating foreign trouble in order to take the minds of the people off domestic trouble. It is our prayer that the sons and daughters of Russia will be spared participation in another war, just as the sons and daughters of other peoples should also be allowed to live in peace.

I append for printing in the RECORD the text of two newspaper editorials which appeared within the same week in two Wisconsin papers on various phases of life behind the iron curtain. One of them, entitled "Purge in Russia," was published in the June 14 issue of the newspaper the La Crosse (Wis.) Tribune. The other, entitled "Where the Arts Die," was published in the June 17 issue of the Superior (Wis.) Evening Telegram.

(The editorials are as follows:)

[From the La Crosse (Wis.) Tribune]

"PURGE IN RUSSIA

"In spite of the efforts of the Soviet Government to keep the world in the dark on what goes on in Russia, there is evidence available indicating a political purge is taking place in the Soviet Union.

"At least 300,000 members of the Communist Party have been expelled, including several who were high in the councils of the party. Many have just dropped out of sight, presumably liquidated or sent into exile. This is particularly true of those in charge of the Communist youth league.

"The Russian people are becoming restless under the Communist yoke. Voice of America broadcasts are having an effect upon the people's morale. To offset this Moscow is increasing its propaganda, distributing millions of circulars and pamphlets in which conditions in the United States are pictured as approaching revolution.

"Soviet citizens who claim to have visited America report in a magazine article that wretched poverty is the rule here, and many are forced to eat from garbage cans. This is merely a mild sample of the lies deliberately designed to misinform the Russian people.

"Full significance of the present purge cannot be understood at this time. But there is proof that a wholesale shake-up is taking place, proof that all is not going well for the Soviet regime.

"Forced labor camps and prisons are increasing. The day of another Russian revolution cannot be delayed indefinitely."

[From the Superior (Wis.) Telegram]

"WHERE THE ARTS DIE

"'Art for art's sake' is a slogan which does not go in Communist states. Zoltan Sztankay, a former Hungarian diplomat who resigned from the service when the Communists took his country over and now lives in the United States, reports that the platform of the Hungarian Workers' Party, a Communist organization, does not forget art and literature. Each must praise the Red regime or contribute in some way to the advancement of Communist ideals. Artists who do not comply are likely to run afoul of the police. Mere beauty of thought or form is not enough, in fact, is suspect. Writing which is too complicated for the least educated of its readers may mean severe punishment for the unfortunate author.

"The ban is less strict in Hungary than in Russia or other eastern European states where the Russian grip is firm, but it exists nonetheless and is a constant peril to literary talent.

"In literature, as in music and science, even astronomy, there is a state-enforced rigidity of doctrine and baldness of form. It can hardly lead elsewhere than to complete drying up of inspiration and the ultimate death of all intellectual life."

INCREASE IN COMPENSATION OF CERTAIN DISTRICT OF COLUMBIA EMPLOYEES

Mr. McGRATH. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate consider Order No. 548, House bill 3088, which has a deadline and which must be passed and signed by the President before midnight of June 30. There is no controversy regarding it, and it will take approximately 1 minute.

Mr. WHERRY. Reserving the right to object, was this bill on the calendar the last time the calendar was called?

Mr. McGRATH. It was not reached the last time.

Mr. WHERRY. It has not been called up for consideration on the Senate floor heretofore. Is that correct?

Mr. McGRATH. That is correct.

Mr. WHERRY. Was it reported unanimously by the committee?

Mr. McGRATH. It was.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. Is there objection to the request of the Senator from Rhode Island?

There being no objection, the Senate proceeded to consider the bill (H. R. 3088) to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments, on page 3, line 23, to insert:

Except that such additional compensation shall be paid a retired employee for services rendered between the first day of the first pay period which began after June 30, 1948, and the date of his retirement.

And on page 4, beginning in line 9, to strike out:

Except that such additional compensation shall be paid a retired employee for services rendered between the first day of the first pay period which began after June 30, 1948, and the date of his retirement.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROCUREMENT, UTILIZATION, AND DISPOSAL OF GOVERNMENT PROPERTY, ETC.—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a conference report to accompany House bill 4754 to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The conference report will be read.

(For conference report, see pp. 8561 et seq. of the House proceedings of Tuesday, June 28, 1949.)

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

Mr. JOHNSON of Colorado. Reserving the right to object, I desire to discuss very briefly one point in the conference report.

Mr. McCLELLAN. I shall yield to the Senator if he cares to make a statement.

Mr. JOHNSON of Colorado. Does the Senator from Arkansas care to make a statement?

Mr. McCLELLAN. No. The bill includes transfers of general service agencies or administrations, among which are included the transfer of the Bureau of Federal Supplies. The functions of the Bureau are transferred. There is also transferred the War Assets Administration. The law expires tomorrow, and it is necessary that the bill be passed and signed by the President. There are also included a number of other functions and services. I know the one in which the able Senator from Colorado is particularly interested. The Senate agreed to the amendment as the committee had requested. We took it to conference, and the conferees of the House would not accept it. I want to say to the able Senator from Colorado and to other members of the committee that upon a study of the provision in the bill in which the Senator is interested I do not believe it will materially affect any of the substantial rights of other agencies. I think it will be of aid to them. I think it is in the interest of economy and that considerable economy will result in the field of transportation if the provisions of the bill go into effect and are properly administered.

Mr. JOHNSON of Colorado. Mr. President, the members of the Committee on Interstate and Foreign Commerce realize the difficulties under which the Senate conferees were laboring when they met with the House conferees on the provisions of H. R. 4754, to which our committee objected. We did not object because we were opposed to what was being done. We objected because H. R. 4754 did not go far enough. We desire to have further hearings in our committee to develop the need for the establishment of a Federal Traffic Bureau.

On February 25 of this year I introduced Senate bill 1095, which had for its purpose the establishment of a Federal Traffic Bureau, and I ask unanimous consent to insert in the RECORD at this point a copy of that bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (S. 1095) to establish a Federal Traffic Bureau, and for other purposes, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Federal Traffic Bureau Act."

DEFINITIONS

SEC. 2. As used in this act unless the context otherwise requires—

(1) the term "United States" means the United States Government or any officer, department, or agency thereof (including a corporation all or substantially all of whose capital stock is owned or held by or for the United States);

(2) the term "carrier" means any transportation agency subject to regulation under any part of the Interstate Commerce Act, as amended, or under the Civil Aeronautics Act of 1938, as amended, the Merchant Marine Act of 1936, as amended, the Shipping Act of 1916, as amended, the Intercoastal Shipping Act of 1933, as amended;

(3) the term "administrative tribunal" means the Interstate Commerce Commission, the Civil Aeronautics Board, the Maritime Commission, and any other administrative agency now or hereafter constituted with power to regulate the rates, charges, practices, rules, or regulations of carriers;

(4) the term "Government traffic" or "Government shipment" means one or more shipments of property by any mode of transportation to, from, by, or for the account of, the United States;

(5) the term "tariff" means any tariff, schedule or classification, and any revision, or amendment thereof, or supplement thereto filed by any carrier, with any administrative tribunal, naming or affecting rates, ratings, charges, classifications, rules, regulations, or practices for the transportation of property;

(6) the term "Bureau" means the Federal Traffic Bureau established under section 3; and

(7) the term "Director" means the Director of the Federal Traffic Bureau.

SEC. 3. There is hereby established an agency of the United States to be designated as the Federal Traffic Bureau to which Bureau there are hereby transferred all of the powers, duties, and responsibilities of all departments and agencies of the Government (including corporations all or substantially all of whose capital stock is owned or held by or for the United States), with respect to the following matters, which are hereby vested exclusively in said Bureau—

(1) the negotiation and making of all contracts for the transportation of Government traffic;

(2) the routing, diversion, or reconsignment of Government shipments;

(3) the representation of the United States in all proceedings before administrative tribunals relating to matters within the jurisdiction of the Bureau;

(4) the checking, auditing, revision, and verification of bills for transportation charges for Government shipments; and

(5) the filing and prosecution of claims, actions, suits, or proceedings for recovery of overcharges or unreasonable charges for transportation of Government shipments, or for loss of, damage to, or delay in Government shipments.

SEC. 4. (a) The Bureau shall be administered by a Director to be appointed by the President, by and with the advice and consent of the Senate, who shall serve during good behavior and shall receive an annual salary of $12,000. The Director shall be a citizen of the United States and, during his term of office, shall have no pecuniary interest in or own any stock or bonds of any carrier or any person, firm, or corporation owning or controlling any carrier.

(b) The Director shall, without regard to the civil-service laws, appoint and prescribe the duties of a general counsel, such assistant directors as may be necessary, a secretary for the Director, a secretary for such general counsel, and assistant directors, and a secretary for each of such. Subject to the provisions of the civil-service laws, the Director shall appoint, and shall prescribe the duties of such other officers and employees as he shall deem necessary in exercising and performing his powers and duties. The compensation of all officers and employees appointed by the Director shall be fixed in accordance with the Classification Act of 1923, as amended.

(c) The Director may, from time to time, without regard to the provisions of the civil-service laws, engage for temporary service such duly qualified experts, consulting engineers or agencies, or other qualified persons, as are necessary in the exercise or performance of the powers and duties vested in him, and shall fix their compensation without regard to the Classification Act of 1923, as amended.

(d) Within 60 days after the appointment and qualification of the Director, every officer, department, and agency of the Government (including a corporation all or substantially all of whose capital stock is owned or held by or for the United States), heretofore exercising or performing any of the powers, duties, and responsibilities herein transferred to the Bureau, shall list upon forms to be prescribed by the Director, all officers and employees in such department, agency, or corporation, and all property, including office equipment and official records, employed in the exercise and performance of the aforesaid powers and duties, and thereafter there shall be transferred from such reporting department, agency, or corporation to the Bureau such of the officers, employees, property, including office equipment and official records, as shall be found by the President and specified by executive order to be necessary for the efficient and prompt performance of the powers and duties of the Bureau as herein vested.

SEC. 5. The Bureau is authorized and directed continuously to investigate and ascertain the facilities, equipment, instrumentalities, routes, and services of all carriers with respect to the availability for utilization thereof for the transportation of Government shipments, and by general or special instructions or routing guides, shall supervise and direct the selection of the carrier or carriers and the route or routes for the transportation of all Government shipments, by all consignors thereof, subject to the following considerations to control in the order named:

(1) The quality of the transportation service required for the particular type or class of Government shipment involved.

(2) The over-all cost of the transportation to the Government, including incidental and accessorial expenses as well as transportation charges paid the carrier.

(3) The fair, impartial, and equitable distribution among all modes of transportation and all carriers in accordance with their respective carrier capacities.

SEC. 6. It shall be the duty of the Bureau continuously to investigate the justness and reasonableness of all present and proposed tariffs insofar as they shall relate to or concern, directly or indirectly, any actual or potential Government traffic and to negotiate and contract with any such carrier: (1) For any change in any tariff; (2) for the establishment, for such period of time as may be agreed upon, of other just and reasonable tariffs for the transportation of Government traffic; and (3) as to the form, terms, and conditions of, and rules and regulations relating to, bills of lading and other billing papers or transportation documents covering or pertaining to the transportation of Government traffic.

SEC. 7. The Bureau, as the sole representative of the United States, shall be empowered to institute, or to intervene or participate in, any formal or informal proceeding relating to any matter within the jurisdiction of the Bureau before any administrative tribunal, and to make such representations and introduce such evidence therein as the Bureau shall deem to be proper and necessary, and to file any petition or complaint with any such administrative tribunal as the Bureau shall deem proper or necessary in the interest of the United States.

SEC. 8. The Bureau shall receive, audit, check, and verify all bills against the United States for the transportation of Government shipments and shall certify the correctness of such charges in writing upon the face thereof and such certification shall be final and binding upon all executive and administrative officers of the United States except as the same thereafter may be amended, corrected, or set aside by the Director, by any court, or by any competent administrative or other governmental tribunal.

SEC. 9. The Director may, from time to time, in his discretion, establish regional, local, departmental, or agency branch offices, and may delegate and assign to such offices such powers, duties, and responsibilities as he shall determine; but in every such case, the officers and employees of such branch offices shall be subject to and report to the Director, insofar as their duties relate to the exercise of such powers, duties, and responsibilities.

SEC. 10. (a) The Director is authorized and empowered to sue, for and in behalf of the United States, in any court or before any competent tribunal, for the recovery of any unlawful, unjust, or unreasonable charge theretofore paid by the United States for the transportation of Government shipments, and for damages resulting from loss, injury, or delay thereto, or for the enforcement or for the breach of any contract relating to such charge or such transportation.

(b) Any carrier is authorized to sue the Director, as the representative of the United States, in any district court of the United States in which district such carrier maintains a principal office or in which the Bureau maintains a principal or branch office for all unpaid charges for the transportation of Government shipments, or to enforce, or for the breach of, any contract made pursuant to this Act with said Bureau.

(c) It shall be the duty of any district attorney of the United States, under the direction of the Attorney General of the United States, upon application of the Director, to institute or defend any action, suit, or proceeding described in this section, except proceedings before an administrative tribunal.

(d) All actions and suits against the Director under the provisions of subsection (b) shall be begun within 2 years from the date the cause of action accrued, or within 2 years from the date of enactment of this act, whichever date is the later.

SEC. 11. On or before the 3d day of January of each calendar year the Director shall transmit to the Congress a report containing information with respect to all activities of the Bureau during the preceding calendar year and such information and data as may be considered of value in the determination of questions connected with the transportation of Government shipments together with such recommendations as to additional legislation relating thereto as the Director may deem necessary.

Mr. JOHNSON of Colorado. Mr. President, the provisions of the bill we

are considering at this time do not go far enough. For instance, they eliminate the transportation of the military, and they eliminate from the consideration of the proposed traffic bureau the transportation occasioned by the adoption of the Marshall plan.

We are dealing with a very important subject. One-tenth of all the costs of transportation in the United States is paid by the Federal Government. The Federal Government is the biggest shipper, and it pays one-tenth of all the cost of transportation of property by all the different carriers in the United States. It is in the interest of economy, as the Hoover report pointed out, that we have a centralized agency to handle this transportation. So, while the bill which is being considered, H. R. 4754, does move in the right direction, our committee is not entirely satisfied with all its terms and provisions. Therefore, we wish to announce now that we are going ahead with hearings on our bill in order to develop all the facts pertaining to this question. We do not think the hearings have been sufficient to bring out all the facts in connection with this kind of legislation, and we are going ahead with hearings on the bill which is now in our committee, and are going to keep a watchful eye on the effectiveness of the traffic bureau which is being set up under H. R. 4754.

Mr. President, I merely desire to let the Senate know that our committee is not dropping the matter; that we consider this a very important subject; that we want to work out something very constructive; that we agree with H. R. 4754 insofar as it goes; and that we are going to watch very carefully, and see what developments are made under its terms.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

ORDER FOR RECESS OR ADJOURNMENT FROM FRIDAY TO TUESDAY AND FOR MEETING IN OLD SUPREME COURT ROOM ON JULY 5

Mr. LUCAS. Mr. President, out of order, I send to the desk a resolution and ask that it be read.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 130) was read as follows:

Resolved, That when the Senate recesses or adjourns on Friday, July 1, 1949, it be until Tuesday, July 5, 1949; and that on said day, and until otherwise ordered, it meet in the old Supreme Court room in the Capitol.

Resolved, That all rules relating to the Senate Chamber shall be applicable to the old Supreme Court room.

Resolved, That the Secretary communicate these resolutions to the President of the United States and to the House of Representatives.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Mr. President, I do not intend to object to the resolution, but I wish to ask a question in regard to that part of it which provides for a recess beginning on Friday. Does the majority leader wish to make any statement about what his plans are for Thursday?

Mr. LUCAS. I can only repeat what I have said before, perhaps not with so much emphasis as I shall use at the moment.

After the Senate concludes tomorrow afternoon with the consideration of the Taft substitute, or any part of the Thomas bill, we will take a recess until the following day, and on Friday no business will be transacted, as there will probably be just enough Senators present to take a recess until the following Tuesday. On Tuesday the Senate will meet in the old Supreme Court room, as is provided in the resolution just read.

Regardless of what happens to the labor bill, whether we defeat the Taft substitute or fail to defeat it, the recess will be taken the following day, and there will be no real session on Friday or Saturday.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

PAYMENT OF CLAIMS CHARGEABLE TO LAPSED APPROPRIATIONS

Mr. HOEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order of Business No. 566 on the Calendar, House bill 3549, to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund.

Mr. President, my reason for making the reques at this time is that if the bill is to be passed, it should be passed today, because it will take effect on the 1st of July.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, does the bill come from the committee unanimously?

Mr. HOEY. Yes. The subcommittee considered the bill, and in the subcommittee one member voted "present," but when it came before the full committee, there was no objection, and it was voted out unanimously.

I may say also that the bill is recommended by the General Accounting Office, the Comptroller General, it is approved by the Treasury Department, and likewise approved by the Bureau of the Budget.

Mr. WHERRY. The bill was not on the calendar at the last call of the calendar, and has not been discussed on the floor of the Senate and considered, has it?

Mr. HOEY. No.

Mr. WHERRY. Are there any amendments to the bill?

Mr. HOEY. Only one or two clarifying amendments.

Mr. WHERRY. The amendments do not embrace substantive matter, do they?

Mr. HOEY. No, not at all. The bill has already passed the House.

Mr. HENDRICKSON. Mr. President, I wonder if the distinguished Senator would tell us why we have to take this bill up except on a call of the calendar.

Mr. HOEY. It relates to lapsed appropriations, and unless it is taken up and passed before July 1, it will not be effective at all.

Mr. HENDRICKSON. I have no objection.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3549) to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund, which had been reported from the Committee on Expenditures in the Executive Departments, with amendments, on page 2, line 6, after the word "account", to strike out "on the books of the General Accounting Office"; and in line 10, after the word "to", to strike out "the balances of the respective lapsed appropriations so transferred" and insert "the respective balances of any lapsed appropriations."

The amendments were agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. TAFT. Mr. President, I desire to speak on the substitute which is now before the Senate. Very roughly, the differences between the substitute and the Thomas bill are set forth in a pamphlet entitled "Essential Principles of the Taft-Hartley Law and Amendments Proposed by the Republican Minority," a copy of which, I believe, has been placed on the desk of every Senator. The pamphlet shows in substance the differences between the Taft-Smith of New Jersey-Donnell substitute and the Thomas bill, with the exception that the Thomas bill now has had adopted to it four or five provisions which are included in the list of important features proposed to be retained, namely, the duty of unions to bargain collectively, the guaranty of the right of free speech, the requirement of the filing of financial statements, the filing of non-Communist affidavits, and the prohibition of jurisdictional strikes. Otherwise the essential differences are shown in the pamphlet.

The difference of approach is a fundamental thing, however. The Thomas bill would repeal the Taft-Hartley law, and then would pick out one or two things its sponsors think are fairly good and put them in their bill. They recognize the necessity of dealing with national emergency strikes. They recognize the necessity of forbidding strikes for 60 days. But they have provided no remedy to enforce that prohibition which is contained in the Thomas bill.

The Senator from New Jersey [Mr. SMITH], the Senator from Missouri [Mr. DONNELL], and I have proposed amendments to the Taft-Hartley law. Since that law has been on the books for 2

years, and many features of it have met with acceptance and no criticism whatever; since it is now the existing law of the United States under which labor-management relations are governed, we feel that the proper approach to a law of that kind should certainly be that which we take in connection with all other matters. We take the existing law and try to determine in what respect it should be amended; in what respect it is properly subject to criticism. That is the approach of this particular substitute. We took the Taft-Hartley law and we listened to all the labor protests against it. We sat for some 3 weeks listening to those protests, and where they seemed to be reasonable we proceeded to draft the amendments to the law so as to meet those particular proposals. Some very substantial changes in the law are made by the substitute which we propose. The list of the proposed changes is also contained in the pamphlet, numbering some 28. One of them—the twenty-eighth—has already been dealt with. The other provisions are of importance.

Mr. President, I am considerably intrigued with the position now taken by the majority leader, by Mr. William Green, of the American Federation of Labor, and attributed to the President of the United States by the majority leader. That position seems to be that because the Senate yesterday, by a substantial vote, inserted in the bill penalties to enforce the 60-day provision after the end of a contract then a strike affecting the national safety and health is threatened, chose to provide enforcement features and to retain the injunctive provision of the Taft-Hartley law, which has been used by the President himself half a dozen times already during the past 2 years, and to add to that the right of seizure, which is rather a weapon against the employer than it is against the employee—because the Senate chose to do that they are going to reject any law; they are going to reject any improvements to the Taft-Hartley law which may be offered.

They apparently welcome the retention of every provision which they have criticised, and propose to keep them in force for the next 2 years apparently in order that they may make an issue of that law 2 years from now in the election. Of course, they cannot make an issue of it, because when they complain against that law we can point out that we have met every complaint they have made and have listened to every criticism and proposal for a change. Now their position is: "No, we will not accept any changes, we will not accept any improvements." Simply because the Senate yesterday chose to insert a certain enforcement provision to protect—not the employer, but to protect the people of the United States—they will not take any improvements in the law, they will not take any of the modifications which they themselves have suggested.

Mr. President, I think that is a most extraordinary position, particularly when they supported the Thomas bill, which says that for 60 days after the end of a contract, if the national safety and health is threatened, a strike is forbidden. It says the men shall work for 60 days; that the employer shall operate his plant for 60 days. The President himself says, "Under those circumstances I have the power of injunction. I have it under the Constitution." The Attorney General of the United States tells him he has the power of injunction. And now, because the Senate has chosen to define that power, to make it, if anything, less extensive, less objectionable to labor, the position taken by the majority leader and by the president of the American Federation of Labor is: "All right, we do not want any improvements in the Taft-Hartley law. We want everything or we want nothing."

Mr. President, that illustrates very well the attitude the labor union leaders—not the labor union members, but the labor union leaders—have taken on all matters dealing with labor-management relations. From the very beginning of the consideration of the Taft-Hartley Act their position has been, "We will not consider any changes in the existing law."

Two years ago Mr. Lewis, in testifying before a committee, was asked this question:

> In other words, you think this committee should simply leave labor legislation alone as it is?

Mr. Lewis said:

> Definitely.

Mr. Green testified that he did not want any responsibility whatever placed on labor. He testified this year that labor should not be forced to bargain collectively, should not be liable on its contracts, should not be liable for the damages it causes. Labor, according to him, must be entirely free from any legal restraint, and rather than have it subject to any legal restraint he does not want any legislation at all.

I think the letter presented by Mr. Green and read today by the majority leader is probably the most presumptuous statement that any individual has ever made to the Senate of the United States. Let me read what he wrote to the majority leader of the United States Senate:

> I understand that you are to make a unanimous-consent request, after the Senate convenes today, that the Senate proceed to vote immediately upon the Taft substitute for sections 1, 2, and 4 of the Thomas bill, S. 249.
>
> It is respectfully requested that you advise the Senate—

He is sending his order to us, to the United States Senate—

> that you advise the Senate that at a meeting of representatives of A. F. of L. State federations of labor, city central labor unions, national and international unions, the national legislative council, the national legislative committee, and Labor's League for Political Education, held this morning, a motion was unanimously adopted to heartily support your contemplated proposal.
>
> We feel that amendments designed to make the Taft bill more palatable—

I suppose he means more palatable to him—

> would be useless and a waste of time, as the action yesterday in the Senate, in regard to section 3 of the bill makes it absolutely unacceptable.

Unacceptable to whom? I suppose unacceptable to Mr. Green. Mr. Green is undertaking to veto the Senate bill before it passes.

> We hope—

He says—

> that our request will be granted, and that the Senate will proceed immediately to vote today on both the Taft substitute and the Thomas bill as amended, without further amendments being presented. We trust that both will be defeated.

In other words, his orders to those who want to follow the American Federation of Labor's directions are, vote against the Taft substitute, and if it is defeated, then vote against the Thomas bill—and today.

Why vote against the Thomas bill? Because we have dared to include an injunctive provision to enforce the 60-day prohibition of a strike which is contained in the Thomas bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Vermont.

Mr. AIKEN. Do I correctly understand the Senator from Ohio to say that he regards his amendment, which was approved by the Senate yesterday, as a limitation on the use of the injunction by the President?

Mr. TAFT. Frankly, I do not believe that the President has the power which he asserts. But the President himself claims that he has the power of injunction under the Constitution, and he has a letter from the Attorney General, which has been presented here, supporting that view. If he has the power at all, it is a far more unlimited and extensive power than that granted yesterday. Since the President claims he has that power, and since the Attorney General says he has it, the chances are that if an emergency should arise he would find some judge somewhere who would agree with his position and that of the Attorney General, and present his case to that judge. What the Supreme Court might ultimately do, I do not know. But for the purpose of the particular emergency, I think the betting would be in favor of his getting an injunction under the theory which he now asserts and claims. Simply because we reduce the injunction power which he claims, Mr. Green says, "The bill is dead. I veto the bill. I will take no improvements. I do not care what you want to do in behalf of labor. I do not care how you want to meet our objections. We would rather have nothing so long as that provision is in the bill."

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LUCAS. Does the Senator object to President Green concurring with what we practically agreed upon here yesterday? The President of the American Federation of Labor makes it very plain that he is agreeing with what was proposed yesterday afternoon before we recessed. The reason we could not get a

final agreement at that time was probably the statement made by the distinguished Senator from New York [Mr. IVES]. I certainly do not see how the Senator can criticize the President of the American Federation of Labor for agreeing with the Senate in what we all agreed upon yesterday. I am sure that if the Senator from Ohio received a letter from the president of some powerful organization agreeing with his position in this matter, he would not take exception to it.

Mr. TAFT. I think perhaps the Senator does not understand. I have no objection to Mr. Green telling us how we ought to proceed and when we ought to get unanimous consent. That is all right. That is not what I am criticizing. What I am criticizing is his statement that he wants to defeat the Thomas bill, regardless of what is in it, so long as it contains the injunctive provision which was put in the bill yesterday by the Senate. That is what I am criticizing Mr. Green for. I am delighted to have the majority leader follow Mr. Green's suggestion, or have Mr. Green follow the majority leader's suggestion with regard to unanimous-consent requests and procedure. I did not raise that question when I read the letter.

Mr. LUCAS. The Senator definitely left the impression that the majority leader and others on this side of the aisle who sought the unanimous-consent requests were following the leadership of William Green.

Mr. TAFT. Not at all. If that was the implication, I withdraw it. So far as I know, the Senator from Illinois made the first suggestion as to a unanimous-consent request, and it is perfectly agreeable to me. I am not taking the position of criticizing that procedure. I was criticizing Mr. Green's attempt to veto the bill before it is passed. I slightly criticized the majority leader for taking the position that since the injunctive provision is in the bill it ought to be defeated. I ventured to differ with the majority leader on the President's attitude. The majority leader says that the President will veto the bill if that provision is in it. I venture to say that such a reason for vetoing the bill is so tenuous, so ridiculous on its face, that the President will not do what the majority leader thinks he will do.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. LUCAS. That is a perfectly good disagreement between the Senator from Ohio and myself as to how the President feels about it. I may be wrong, and the Senator from Ohio may be right. However, I believe I have a little better information on that subject than has the Senator from Ohio.

Mr. TAFT. The Senator from Illinois stated expressly that he had no information, so I do not see how he could have better information than has the Senator from Ohio.

Mr. LUCAS. The Senator is correct. I have no direct information from the White House on this question. I have not talked with the President about it at all; but I believe that I am in a little closer relationship with the President than is the Senator from Ohio, although I know that the relationship between the Senator from Ohio and President Truman is very cordial.

Before I take my seat I want it distinctly understood by all, including the Senator from Ohio, that so long as I am majority leader in the Senate no labor leader, no leader of industry, and no farm leader is going to lay down any program for the Senator from Illinois. I am very happy whenever I find a labor leader agreeing with the position I take, or a farm leader who agrees with the position I take, or any other leader who agrees with me. If the National Association of Manufacturers should agree with me, it would please me very much. However, I doubt that they ever will. Nevertheless, I wished to make that point clear, and I am very glad that the Senator from Ohio has said that there was in his statement no such implication as I have indicated. I also want to clarify another statement by the Senator from Ohio, referring to a possible veto by the President. As I recall I distinctly said that if we passed both of the Taft substitutes it was my studied judgment the President would veto the bill. It would be more or less of a reenactment of the present Taft-Hartley law.

Mr. TAFT. My emphasis was on this sentence in Mr. Green's letter:

> We feel that amendments designed to make the Taft bill more palatable would be useless and a waste of time, as the action yesterday in the Senate, in regard to section 3 of the bill, makes it absolutely unacceptable.

That is the position which I am criticizing, a position which I think is completely unreasonable, and one which I feel certain the President of the United States, who thinks he has the right of injunction anyway, will not adopt.

Mr. President, I wish to call attention to some of the criticisms of the Taft-Hartley law which we have attempted to meet in the Taft-Smith-Donnell substitute. There have been very important criticisms of that law before the committee. I was anxious that any imperfections which had developed should be corrected. Under the terms of the law we created a joint committee to see how the law worked, and to make recommendations for changes.

I believe that the amendments which we have suggested are important. Perhaps the most important one is the elimination of the independent general counsel. The difficulty which arose with the independent general counsel was that he took a different view of the jurisdiction of the Board than did the Board itself. He would bring a case which he thought was covered by the act. After a year's litigation the Board would rule that it was not covered by the act. In the last analysis the Board determined the result, but in the meantime there was confusion. There was a difference of opinion. There was difficulty in the separation of powers.

Under the Administrative Procedures Act, which was passed since the passage of the original National Labor Relations Act, the judicial and prosecuting functions are largely separated, although not entirely so. The procedure goes back to the Board. However, we felt that on the whole that separation accomplished the purposes we were trying to accomplish in not having the same people bring the prosecution, try the case, and then judge those who they themselves had indicted. That was one of the strong protests made by the labor unions, and we felt that it was sufficiently justified to go back to the Administrative Procedures Act and rely upon that for a fair treatment by the Board.

The Taft-Hartley Act made it an unfair labor practice for unions to restrain or coerce employees in violation of their right not to join a union. That was a rather indefinite, vague provision. It was uncertain how far it went, and we decided that it ought to be clearly defined and cut down to the point where the unfair labor practice exists only when a union interferes with a man's right to work. In other words, it is an unfair labor practice for a union to engage in such mass picketing in front of a plant that the men who work there cannot get in to do their work. There were numerous cases in the past 2 years in which that had occurred. The owners of plants and the clerical forces were barred from the plants themselves by the mass picketing of unions. Certainly that should be an unfair labor practice, and we retained that important provision, but we eliminated the rather vague term "restraint" and cut down the unfair labor practice practically to that particular interference.

While the prohibition of the closed shop is retained, it is provided that an employer may notify a labor organization of any vacancy and may give it a reasonable opportunity to refer qualified applicants for such employment. In other words, an employer may make an agreement with a union that when a vacancy occurs, he will notify the union, and will agree to wait a reasonable time—I think 72 hours is perhaps customary in some industries—until the union gets a chance to submit a name. The employer cannot agree that he will take that man, nor can he agree that he will turn down a nonunion man, necessarily; but he can use that agency. In some instances the union is the best employment agency in the field. On the other hand, that arrangement is not, I think, a preferential shop, as has been stated. The employer still is under obligation not to discriminate between union and nonunion men in giving employment, but he can take advantage of the union as an employment agency.

Those with whom I have discussed the so-called hiring hall have felt that when originally started, it was a reasonable provision. As a rule, the employer called for a man, and the union sent him some man. If that man was unacceptable, the employer sent him back and usually asked for someone else. If the union sent him another man, and he was acceptable, that settled the matter. If he was not acceptable, the employer was free to get someone, himself. So long as that was the condition, there was no tremendous objection to the hiring hall.

But gradually the hiring hall has tightened up, until the unions operating them have taken the position with regard to

the employer, "You take this man, or you do not get anyone." The situation developed to the point described by the Governor of Alaska, who testified that in the Alaskan trade, men who were fired from ships because of insubordination or because of drunkenness were back on the ships within 2 or 3 weeks, with the result that there was complete destruction of discipline on the ships; and he himself told me that the Alaskan trade was so demoralized that people could hardly live in Alaska, because of the utter unreliability of the shipping trade between the United States and Alaska, due entirely, so far as I can discover, to the hiring hall provision which forced the employer to take the man sent to him, no matter what that man's character might be.

So, in the substitute we provide, for a return to the early form, which still maintains the prohibition of the closed shop, but permits the employer to use the union as his most important employment agency.

On the question of the union shop, I may say that I think the union shop authorized in this measure has been very generally acceptable. It is a form of union security which I believe is effective. It is stronger than the maintenance of membership decreed by the War Labor Board during the war. Under this provision the union is able to protect itself.

The unions have complained, however, that under the law, where a union shop prevails, they cannot force the employer to discharge a Communist after they have found the man is a Communist and have fired him from the union. In this measure we have made that requirement. We say he can fire a man because he is a Communist, and the union can make the employer fire him.

When we passed the law we felt that if the union fired a man from the union because of being a Communist—which it could do under the Taft-Hartley law—the employer would not keep him. But the unions say there are some cases in which employers do keep such men. We find in that connection that there is some communism among employers, as well as among unions. Therefore, this provision would permit that situation to be controlled. To that extent we have changed the union-shop provisions.

We eliminate the necessity for a vote by the men for a union shop. Personally, I was never very strong for that, and the facts showed that in 99 percent of the elections the men voted for it, and usually voted for it by a large vote. We are perfectly willing to authorize the union shop, if the labor union leaders want to ask for it.

Mr. President, I shall not deal with all the changes proposed, some of which are of minor importance.

One of the great objections made by the unions was that when a strike was in progress and the men were gradually replaced by permanent employees, men who lived in the district and intended to stay there, and who worked for the same wages which had been offered the men who were striking, in such a case, when the strikers were no longer entitled to get their jobs backs, by reason of the fact that they had been replaced by bona fide permanent employees, the striking employees could no longer vote. The unions claim that in that case it was possible for an employer gradually to replace the strikers, and then call for a vote, and then rule out the strikers in the voting.

Of course, before the Taft-Hartley Act was passed, the Supreme Court had ruled that a man who had been replaced by such a permanent employee was no longer entitled to get his job back. Under those circumstances, it seemed to us that he should not be able to vote. However, I can see how in an extreme case, where there was hardship, and no difficulty in getting replacements, that might be used as a weapon gradually to break down a union and destroy it. We dealt with the Redwood case, in California, where all the strikers had been replaced by veterans, so that all the strikers had gone to work somewhere else. Yet 2 years after the strike was started, the strike was still going on, and the plant was still being picketed, and its products were declared to be "hot" goods. There seemed to be no way to end it, although all the workers had been replaced, and the strikers were working somewhere else, and the new employees were permanent employees, living there with their families. We felt that such an indefinite continuation of a kind of dead strike is not an important matter, and now we would permit the strikers to vote. We probably go back, I suppose, to the rule established by the Board before the Taft-Hartley law, namely, that both the strikers and the permanent employees may vote. Presumably that is what will happen under our amendment.

Of course we have applied the non-Communist oath to employers, as I have already indicated.

We repeal section 10 (l). There were in the Taft-Hartley law two provisions for temporary injunctions against unfair labor practices, where the damage was irreparable and where, if the usual procedure of the Board was followed, for perhaps a year, the damage would be done and nothing could be done about it. One of those provisions, section 10 (j), operated against both employers and employees. I think Mr. Denham used it twice against employers and twice against employees. We have retained that provision. In cases of extreme hardship, the general counsel can seek a temporary injunction against either labor or the employer, pending the trial of the case before the National Labor Relations Board. But we eliminated section 10 (l), which was, I believe, drafted by the distinguished Senator from New York [Mr. IVES] and the distinguished Senator from Oregon [Mr. MORSE], and enforces with especial strength the prohibition against secondary boycotts. It directed the Board to give priority to applications for temporary injunctions in those cases, and to seek them if they thought the case was a justifiable one.

Under that provision, some 39 injunctions, as I recall, were sought, and all of them were against labor. It was a one-sided proposition. The situation seemed to be that where the cases were severe, where there was real damage, action could be taken under section 10 (j). Therefore, we eliminated the mandatory requirement of section 10 (l) relating to injunctions affecting secondary boycotts.

We propose various amendments in the provision governing welfare funds. I may say one of the things which is not in the Thomas bill is the regulation of the welfare funds of unions. Such funds, under the Taft-Hartley law, were subjected to a rather mild control. The regulations could be drawn in almost any form, but if they were definite enough, the act approved them. It required that the funds be audited and be subject to some control by the Department of Labor. We have changed that provision somewhat so as to make it operate more easily, and we have provided that if the Secretary of Labor definitely approves the form of the welfare fund as being in accordance with the general provisions of the law, then that shall be legal and there shall be no danger of any criminal penalty such as there has been under the Taft-Hartley law.

I may say, Mr. President, my own opinion of welfare funds is that there should be a general law governing all welfare funds and pension funds, pension funds for the higher-up employees as well as for the lower employees. Because they are trust funds, people can abuse the trust. The funds can disappear, and they often have disappeared, in various fields of life, not only with respect to labor unions but in plenty of other fields. I believe there ought to be a Federal regulation, particularly where it is an industry fund. An industry fund is supported by what amounts to a tax on every member of the industry, and, just as the Railroad Retirement Fund is regulated by law, so I believe there should be general laws regulating welfare funds. But until we can get that protection it seems to me we certainly should retain the protection given to the welfare funds under the Taft-Hartley law, and we do so, with the necessary current corrections.

I have covered most of the changes which have been made by the amendment. I believe they meet all of the most serious objections raised by the labor unions except their general objection to being subjected in any way to legal liability or responsibility. The essence of the difference between the opponents of the Taft-Hartley law and its advocates is the question of whether or not unions shall be legally responsible for their acts. It has long been the position of labor union leaders that they should not be. The distinguished Senator from Florida [Mr. PEPPER] speaks of labor unions as something separate and apart; they are, he says, a group of individual men conducting their own affairs and should in no way be liable to any restraint of any kind or legally liable; they are entirely different from a group of stockholders who are associated together in a corporation. I do not know why they are different. I see no reason why labor unions should not be subject to exactly the same general legal liabilities as other organizations of equal power or equal size. And yet Mr. William Green and Mr. Murray and Mr. Lewis have all taken the position that

they do not want to be subject to any liability, and, if they cannot be completely free, then they do not want any law, they do not want us even to repeal the Taft-Hartley law.

Of course, as a matter of fact, the unions have become extremely powerful. There are 16,000,000 people associated in the various unions. Some of the unions have grown to such an extent that they have a complete monopoly of all the labor in a particular industry, and so they have a gigantic power. I see no logical reason why they should not be subject to the same general restraints and the same general rules as corporations.

Certainly the United States is based on the theory of freedom, justice, and equality. There cannot be freedom unless there is justice and unless there is equality. There cannot be freedom unless there is a fair administration of the law that applies to every individual. A large part of our legislation is devoted to seeing that there are no special privileges, and that people have equality in the treatment which they receive from other people in the ordinary walks of life. Our whole support of the civil-rights program is based on our belief that certain people are deprived of the ordinary elements of freedom and that they are entitled to enjoy the same kind of freedom to which other people are entitled.

Where there developed a tremendous threat because of the growth of large corporations, we passed the Sherman law, and, regardless of what may be said of the condition today, I think it can be said that the Sherman Act has operated to prevent special privilege and special power on the part of corporations of America, as no laws of any of the States have successfully operated. Perhaps it has not gone so far as it should, but at least it has broken up the corporate power into a large number of units in most cases, and we have imposed upon corporations all the restraints which we think should be imposed to prevent the excessive growth of exclusive power and privilege.

We now come to the question of unions. Unions have acquired a different kind of special privilege. It is not as if business had not been subjected to the same kind of regulation. I have before me a list of laws regulating or affecting business and agricultural activities. The list contains many pages. I ask that it be inserted in the RECORD at this point in my remarks. There are 120 laws regulating business and agriculture.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LAWS REGULATING OR AFFECTING BUSINESS AND AGRICULTURAL ACTIVITIES

Sherman Act (15 U. S. C. 1–7): Makes illegal monopolies and combinations in restraint of trade.

Miller-Tydings Act (15 U. S. C. 1): Authorizes contracts or agreements prescribing minimum resale prices on trade-marked commodities, etc., and State fair-trade acts.

Clayton Act (15 U. S. C. 12–27): Prohibits price discriminations.

Federal Trade Commission Act (15 U. S. C. 41–58): Establishes Federal Trade Commission; makes unfair methods of competition unlawful.

Robinson-Patman Act (15 U. S. C. 13–13b, 21a): Makes unlawful price or service differentials.

Promotion of export trade (15 U. S. C. 61–65): Regulates export trade; unfair methods of competition in export trade, etc.

Wool Products Labelling Act (15 U. S. C. 68–68j): Prohibits the misbranding of wool products.

Prevention of Unfair Methods of Competition in Imports (15 U. S. C. 71–77): Prohibits the importation of articles at prices less than actual market value to injure or destroy an industry in the United States.

Securities Act of 1933 (15 U. S. C. 77a–77aa): Regulates the sale of securities through the mail or in interstate commerce.

Securities Exchange Act of 1934 (15 U. S. C. 78a–78hh): Licensing of stock exchanges and registration of securities with SEC required, etc.

Public Utility Holding Company Act, 1935 (15 U. S. C. 79–79 2–6): Provides for the regulation of public utility holding companies.

Investment Company Act of 1940 (15 U. S. C. 80a–1—80b–21): Provides for the registration and regulation of investment companies and investment advisers.

Bureau of Foreign and Domestic Commerce (15 U. S. C. 171–195): Bureau of Foreign and Domestic Commerce of the Department of Commerce authorized to obtain statistics from business firms on commerce, transportation, merchandise and manufacturing.

Weights and Measures Acts: (15 U. S. C. 201–265): Establishes standard weights, measures and time and provides penalties for violations thereof.

Federal Caustic Poisons Act (15 U. S. C. 401–411): Regulates the interstate shipment, importation and labelling of caustic poisons.

Discrimination Against Cooperative Associations (15 U. S. C. 431–433): Boards of trade are prohibited from excluding from membership duly authorized representatives of cooperative associations.

Interstate Transportation of Petroleum Products (15 U. S. C. 715–715m): Regulates the interstate shipment of contraband oil.

Natural Gas Act (15 U. S. C. 717–717w): Regulates the business of transporting and selling natural and artificial gas.

Trade Mark Act (15 U. S. C. 1051–1127): Provides for the registration of trade-marks and the enforcement of rights pertaining thereto in the Federal courts.

Federal Power Act (16 U. S. C. 791–825): Creates the Federal Power Commission to license and regulate the use of water-power facilities, and electric utility companies engaged in interstate commerce.

Whaling Treaty Act (16 U. S. C. 901–913): Regulates whaling industry.

Sockeye Salmon Fishing Act of 1947 (16 U. S. C. 776): Regulates manner of salmon fishing in Fraser River System.

United States Tariff Commission Act (19 U. S. C. 1330–1341): Studies and recommends changes in tariff; commission investigates and judges unfair methods of competition and unfair acts in importation of articles.

Customs Collection (19 U. S. C. 1481–1528): Provides for ascertainment, collection and recovery of duties.

Misbranding of Dairy or Food Products (21 U. S. C. 16–17): Bans false labeling or branding of such products. Grading and packing of apples (21 U. S. C. 20–23); Defines grades and manner in which apples may be packed.

Oleomargarine Controls (21 U. S. C. 25): Oleo is subject to laws of State into which shipped.

Importation of Tea (21 U. S. C. 41–50): Board of tea experts established to recommend rules and standards for importation of tea.

Interstate Shipment of Filled Milk (21 U. S. C. 61–64): Regulates compounding and shipment of filled milk products.

Examination of Animals, Meat, and Meat Products Used in Interstate or Foreign Commerce (21 U. S. C. 71–96): Secretary of Agriculture shall provide for inspection of meats slaughtered and sold in interstate commerce; and for milk sold in foreign commerce.

Import or Export of Animals (21 U. S. C. 101–133): Regulations covering the import or export of animals.

Import of Milk and Cream (21 U. S. C. 141–149): Importation of milk may be prohibited, or regulated.

Preparation or Import of Animal Viruses, Serums or Toxins (21 U. S. C. 151–158): Establishes controls over manufacture, sale, or import of such products.

Federal Food, Drug and Cosmetic Act (21 U. S. C. 301–392): Laws and regulations pertaining to the adulteration or misbranding of any food, drug, device or cosmetic.

Tax Laws of the United States (title 26 of U. S. C.): Levies taxes on incomes, and certain transactions in business and otherwise.

Intoxicating Liquors (27 U. S. C. 203–207) Provides for permits to engage in business and restricts sales and business practices.

Intoxicating Liquors (27 U. S. C. 208): Restricts ownership in more than one firm.

Norris-LaGuardia Act (29 U. S. C. 101–115): Limits availability of injunctions in labor disputes.

Labor-Management Relations Act of 1947 (29 U. S. C. 141–197): Regulates labor relations between employers and unions.

Portal-to-Portal Act (29 U. S. C. 251–262): Regulates defenses against suits for overtime pay under Fair Labor Standards Act.

Fair Labor Standards Act (29 U. S. C. 201–219): Establishes minimum wages, maximum hours, and conditions of employment.

Investigation of Coal Mines (30 U. S. C. 4f–4n): Bureau of Mines shall investigate coal mining safety standards and conditions.

Longshoremen's and Harbor Workers' Compensation Act (33 U. S. C. 901–950): Imposes duty upon employers to pay accident and death benefits to employees working upon navigable waters, including drydocks.

Patents (35 U. S. C. 31–114): Imposes conditions, rules and regulations for obtaining patents and protecting patent rights.

Contracts for Public Buildings (40 U. S. C. 269–270 (e)): Rules and regulations involving contracts for construction or repair of any public building or work.

Extortion (T. 40 276 b–c): Makes unlawful any kick-back from employees engaged in public building contract work.

Eight-Hour Laws (T. 40 321–326): Imposing 8-hour day for employees engaged in public contracts work.

Termination of War Contracts Act (41 U. S. C. 101–125): Establishes law, rules, and regulations pertaining to termination and settlement of war contracts by Secretary of the Treasury.

Restrictions on Fees or Kick-backs (41 U. S. C. 51–54): Violation of law for subcontractor to pay any fee or gratuity to prime or higher tier subcontractor to obtain award of subcontract.

Defense contractors (41 U. S. C. 49–50): Defense contractors may not deny employment to anyone not producing a birth certificate if they produce in lieu thereof an honorable discharge certificate from armed forces.

Walsh-Healey Public Contracts Act (41 U. S. C. 35–45): Specifies hours, wages, and condition of work applying to employers contracting with Government for manufacture or furnishing of materials, etc.

Use of American Goods for Use in Public Contracts (41 U. S. C. 10 b–c): Requires that contractors in connection with public buildings and works must use American-made goods; penalty is blacklisting.

Social Security Taxes (42 U. S. C. 301–1110): Levies pay-roll taxes on employers to

assist in financing old-age and survivors insurance; unemployment insurance.

Safety Appliance Acts (45 U. S. C. 1–22): Establishes safety standards for railroads.

Boiler Inspection Acts (45 U. S. C. 23–34): Prohibits use of unsafe boilers on railroads and provides for inspection.

Employers' Liability Acts (45 U. S. C. 51–60): Liability of common carriers by railroad, in interstate or foreign commerce, for injuries to employees from negligence.

Hours of Service Acts (45 U. S. C. 61–66): Provides limitations on the hours of service of railroad employees.

Care of animals in transit (45 U. S. C. 71–76): Establishes standards for railroads in the care of animals in transit.

Railway Labor Act (45 U. S. C. 151–188): Provides for mediation, conciliation, and arbitration in controversies between carriers and employees.

Railroad Retirement Act (45 U. S. C. 228a–228s, 261–273): Provides system of annuities to retired or disabled railroad employees.

Railroad Unemployment Insurance Act (45 U. S. C. 351–367): Provides for unemployment compensation benefits to railroad employees.

Registry and recording of vessels (46 U. S. C. 11–82): Regulates the registry, recording, inspection, survey, and measurement of vessels.

Load lines for American vessels (46 U. S. C. 85–88i): Establishes load lines and limitations for American vessels in foreign commerce and coastwise trade.

Clearance and Entry of Vessels Acts (46 U. S. C. 91–113): Regulates the granting of clearances and entries to vessels, duties of masters, and manifests.

Regulation of vessels carrying steerage passengers (46 U. S. C. 151–163): Establishes regulations for the accommodation, berths, food, medical attention, safety, and health of passengers.

Carriage of explosives by vessels (46 U. S. C. 170–171): Regulates the carriage of explosives or other dangerous articles on vessels.

Limitation of Liability Acts (46 U. S. C. 181–194): Establishes limitations on liability of vessel owners or masters for losses.

Regulation of log books, officers and crews, domestic and intercoastal shipping (46 U. S. C. 201–203; 221–248; 251–336; 843–848): These code provisions set out statutes regulating conduct by owners and masters of vessels as to log books, officers and crew, and domestic and intercoastal shipping generally.

Steam vessel regulations (46 U. S. C. 361–417; 451–498): Establish standards for the inspection of and transportation of passengers and merchandise by steam vessels.

Ship Mortgage Act (46 U. S. C. 911–984): Provides for the recording of sales, conveyances, and mortgages of vessels of the United States, the foreclosure of mortgages, and maritime liens.

Merchant Marine Acts, 1920, 1928, and 1936 (46 U. S. C. 861–891y; 1111–1279): Provides for the construction, acquisition, and operation of the United States Merchant Marine; regulates merchant marine shipping, private charter operations and operating-differential subsidies.

Carriage of Goods By Sea Act (46 U. S. C. 1300–1315): Establishes the rights and duties of carriers and the responsibilities and liabilities of carriers and ships.

Communication Act of 1934 (47 U. S. C. 151–609): Regulates interstate and foreign communications by wire or radio.

Interstate Commerce Act (Part I) (49:1–27): Provides regulation of transportation by rail and pipe lines.

Interstate Commerce Act (Part II) (49: 301–327): Regulates transportation by motor carriers.

Interstate Commerce Act (Part III) (49: 901–923): Regulates transportation by water carriers.

Interstate Commerce Act (Part V) (49: 1001–1022): Regulates transportation with regard to "freight forwarders."

Civil Aeronautics Act of 1938 (49: U. S. C. 401–682): Regulates interstate commerce and transportation by air.

Allocations of Short Materials (50 U. S. C. App. 645): Authorizes the President to allocate supplies of certain materials.

Export Controls (50 U. S. C. App. 701): Authorizes the President to restrict exportation of certain articles.

Voluntary Agreements Act (50 U. S. C. App. 1911–1919): Authorizes the making of voluntary agreements for allocation, priority, and inventory control of scarce commodities.

Securities of Railroad Carriers Act (P. L. 478, 80th Cong., 2d sess.): Provides a more simple, less expensive, and expeditious method for modification of the financial structures of railroad corporations.

Selective Service Act of 1948 (P. L. 759, 80th Cong., 2d sess.): Authorizes peacetime selective service, with reemployment rights for selectees.

National Industrial Reserve Act of 1948 (P. L. 883, 80th Cong., 2d sess.): Establishes authority for the maintenance and control of a pool of Government-built essential and strategic plants, tools, and industrial equipment for national-defense purposes.

Federal Corrupt Practices Act of 1925, as amended (2 U. S. C. 241–256): Prohibits corporate contributions or expenditures in connection with Federal elections, etc.

Regulation of Lobbying Act of 1946 (2 U. S. C. 261–270): Requires the registration of "lobbyists" with Secretary of Senate and Clerk of House, with the filing of quarterly expense accounts.

Commodity Exchange Act (7 U. S. C. 1–17a): Regulation of dealings in agricultural commodity futures.

United States Cotton Standards Act (7 U. S. C. 51–65): Establishes cotton standards, and licenses samplers, classifiers, etc.

United States Grain Standards Act (7 U. S. C. 71–87): Establishes grain standards; licenses persons engaged in handling, grading, and transporting grain, etc.

Naval Stores Act (7 U. S. C. 91–99): Establishes official naval stores standards and regulates interstate sales of such commodities.

The Insecticide Act of 1947 (7 U. S. C. 121–135k): Regulates the manufacture, branding, and sale of insecticides.

Regulation of Nursery Stock and Other Plants and Plant Products (7 U. S. C. 151–167): Regulates the importation, marketing, interstate shipment, inspection, and certification of domestic plants.

Development of Guayule Rubber (7 U. S. C. 171–176): Authorizes program for development of guayule rubber through private or governmental facilities.

Packers and Stockyards Act, 1921 (7 U. S. C. 181–231): Provides comprehensive regulation of packers and stockyards through licensing, rate schedules, inspection, and prevention of unfair, discriminatory or deceptive trade practices.

Agriculture Warehouse Act (7 U. S. C. 241–273): Provides for the licensing, inspection, and regulation of agricultural products warehouses.

Cotton Ginning Investigation (7 U. S. C. 424): Secretary of Agriculture authorized to investigate the ginning of cotton.

Cotton Statistics and Estimates (7 U. S. C. 471–476): All cotton warehouses, ginneries, mills, or storage depots required to furnish Secretary of Agriculture statistics on cotton on hand, etc.

Perishable Agricultural Commodities Act (7 U. S. C. 499a–499r): Provides for licensing of commission merchants of perishable agricultural commodities, and makes unlawful deceptive or unfair practices.

Tobacco Statistics Act (7 U. S. C. 501–508): All dealers, manufacturers, growers' cooperative associations, warehousemen, brokers or holders required to furnish statistics to Secretary of Agriculture on tobacco holdings.

Tobacco Inspection Act (7 U. S. C. 511–511q): Regulates tobacco auction markets.

Export Standards for Apples and Pears (7 U. S. C. 581–589): Prohibits the export of apples or pears except under certificate by Secretary of Agriculture that such fruits conform to standards established by the Secretary.

Agriculture Adjustment Act, 1937 (7 U. S. C. 601–659).

Agricultural Adjustment Act, 1938 (7 U. S. C. 1281–1407): Authorizes the establishment of orderly marketing conditions for agriculture to provide parity prices for farmers; licenses processors; provides for parity payments, marketing quotas and crop insurance, etc.

Bankhead-Jones Farm Tenant Act (7. U. S. C. 1000–1031): Secretary of Agriculture authorized to make loans for acquisition and rehabilitation of farms; and to acquire submarginal land not suitable for cultivation.

Sugar Act of 1937 (7 U. S. C. 1101–1183): Regulates production quotas in sugar-producing areas; provides payments to producers conditioned on certain child labor and wage provisions.

Federal Crop Insurance Act (7 U. S. C. 1501–1519): Creates the Federal Crop Insurance Corporation empowered to issue insurance against crop losses under specified conditions.

Federal Seed Act (7 U. S. C. 1551–1610): Prohibits interstate transportation of seeds except under detailed specifications and regulations.

Admission of Contract Laborers (8 U. S. C. 139–143): Makes unlawful the prepayment of transportation or to assist in the importation or migration of contract laborers.

United States Arbitration Act (9 U. S. C. 1–14): Written contracts in maritime or interstate commerce transactions providing for arbitration shall be valid, irrevocable, and enforceable in the courts.

Seizure of Transportation Systems (10 U. S. C. 1361): Authorizes the President, "in time of war" to take possession of any system of transportation.

Chandler Bankruptcy Act, 1938 (11 U. S. C. 1–1200): Establishes Federal bankruptcy control and regulation.

Mr. TAFT. So, Mr. President, we are not in this case doing anything different with labor from what we have done with business and with agriculture and with all others who gradually acquire special privileges over and above the ordinary equal rights of the people of the United States. The reason for this amendment was that not only had labor become extremely powerful but also the unions had gotten themselves exempted from the operation of most other laws. They undoubtedly were at a disadvantage in the beginning. Laws had to be passed, like the Wagner Act and the Norris-LaGuardia Act, to protect them against excessive power on the part of their employers. But those laws were passed in such form and were so administered and judged by the courts and by the Board that gradually they built the unions into a position where they were not subject to any liability under any law, either to their members or to the public or to their employers. They were practically free to do as they chose, and inevitably when arbitrary power is granted to men, arbitrary men are often found to exercise that power.

Mr. President, perhaps the best discussion of the liability of labor unions is contained in the book on the subject of the immunity of labor unions, by Louis

D. Brandeis, former Justice of the Supreme Court, one of the most liberal Justices we have had, a man who had every sympathy with labor unions. In the first place, he says what I have said, that they were not, even in the days before the passage of special laws, subject to legal liability. He said:

> But while the rules of legal liability apply fully to the unions, though unincorporated, it is, as a practical matter, more difficult for the plaintiff to conduct the litigation, and it is particularly difficult to reach the funds of the union with which to satisfy any judgment that may be recovered. There has consequently arisen, not a legal, but a practical immunity of the unions, as such, for most wrongs committed.

Mr. Justice Brandeis continues:

> This practical immunity of the unions from legal liability is deemed by many labor leaders a great advantage.

That is just the position that Mr. Green and Mr. Murray and Mr. Lewis are taking.

Mr. Justice Brandeis continues:

> To me it appears to be just the reverse. It tends to make officers and members reckless and lawless, and thereby to alienate public sympathy and bring failure upon their efforts. It creates on the part of the employers, also, a bitter antagonism, not so much on account of lawless acts as from a deep-rooted sense of injustice, arising from the feeling that while the employer is subject to law, the union holds a position of legal irresponsibility.

Mr. Justice Brandeis continues:

> This practical immunity of the labor unions from suit or legal liability is probably largely responsible for the existence of the greatest grievances which labor unions consider they have suffered at the hands of the courts; that is, the so-called "government by injunction." It has come about in this way: An act believed to be illegal is committed during a strike. If that act is a crime, a man may be arrested, but in no case can he be convicted of a crime except on proof beyond a reasonable doubt and a verdict of the jury, and on every jury there is apt to be someone favorable to the defendant. Many acts, however, may be illegal which are not criminal, and for these the only remedy at law is a civil action for damages; but as the defendant is usually financially irresponsible, such action would afford no remedy.
>
> The courts, therefore, finding acts committed or threatened, for which the guilty parties cannot be punished as for a crime, and cannot be made to pay damages by way of compensation, have been induced to apply freely, perhaps too freely, the writ of injunction.

Mr. Justice Brandeis said, further:

> Again, it has been urged that the unions might be willing to submit themselves readily to suit if the rules of law, as now administered by the courts, were not unjust to labor. I am inclined to think that there have been rendered in this country many decisions which do unduly restrict the activities of the unions. But the way to correct the evil of an unjust decision is not to evade the law, but to amend it. The unions should take the position squarely that they are amenable to law, prepared to take the consequences when they transgress, and thus show that they are in full sympathy with the spirit of our people, whose political system rests upon the proposition that this is a government of law, and not of men.

Mr. President, in general the opponents of the Taft-Hartley law have admitted that if unions should be required to bargain collectively there should be some little responsibility. But the Taft-Hartley law goes further and makes unions liable on their contracts, makes them liable for damages which they cause to third parties through irresponsible acts brought about by conditions for which the third parties are in no way to blame. It makes them liable for the acts of their agents, acting within the scope of their authority, just as other persons are liable, and from which they would be entirely relieved by the provisions of the Thomas bill. It makes them responsible for fair treatment of their own union members.

I do not think the Taft-Hartley law in any way injured any union that I know of, with the possible exception of the ITU. That union simply struck against the law. It was fighting the law, just as the National Association of Manufacturers fought the original Wagner Act. It has cost them money to do so. Two other unions in the newspaper field have fully accepted the provisions of the Taft-Hartley law and have found it entirely satisfactory. The only damage done to the ITU has been because they have refused to accept the law and have undertaken the expensive job of trying to defeat the Government of the United States.

So, Mr. President, we submit that in the amendment which we have prepared we have met all the serious reasonable objections. I think we have gone to the limit in considering the objections raised by the labor unions to the actual operation of the Taft-Hartley law, and we have only stood firm in maintaining those principles which require that unions be legally responsible, that they be subject to the same rules as are other persons, and that labor-management relations, insofar as the Government interferes with them at all, shall be conducted on an equally just and fair basis.

What we are doing is an affirmative act. It is an affirmative policy to cure an abuse. It is an affirmative policy equivalent to that which was undertaken by the United States when it regulated corporations under the Sherman antitrust law, which is an act which is based on the establishment and maintenance in the United States of equality, justice, and liberty, and the prevention of any man, any organization, or any group rising to a point at which they can defy the Government of the United States and insist upon their own special rights and privileges beyond the interests of 145,000,000 persons who make up the greatest Nation in the world, and, I hope, the most just Nation in the history of the world.

Mr. THOMAS of Utah. Mr. President, I shall not carry on the discussion in the fashion of a debate, as has been done in the past 3 weeks, but I think, out of justice to our side, if I may put it that way, I should state the situation as I see it.

The vote yesterday was conclusive. It was a vote of practically all the Members of the Senate. Eighteen Members of the Democratic Party voted with the Republicans, and all but seven of the Republican Members of the Senate voted one way. That meant, of course, that there was a division, so marked and so conclusive, that if we continued to vote upon the major Taft amendment, the vote would remain practically the same.

I agree with the Senator from Ohio that his amendment is a great improvement over the Taft-Hartley law as it stands. I accept his own thesis that it is an improvement in 28 different particulars. Some of those particulars are very major, and some are very minor, but, at any rate, there is the honest and straightforward admission that the law should be changed. For that I honor the Senator from Ohio and his associates in recognizing the fact that in at least 28 different particulars the law has not worked out as the Senator from Ohio would like to see it work out, judging from the amendment he has offered.

With the major provisions of the Taft-Hartley Act remaining on the statute books, with title III in our bill changed to fit the Taft substitute for title III and with a general substitute for the bill accepted, it would mean, of course, we would have the Taft-Hartley Act, under a new title, which I do not think is quite a fair act with which to go to the country. It would surely be unfair for anyone to say, "Well, we lived up to our campaign pledges and repealed the Taft-Hartley Act." So there is some justification on the part of those who are sponsoring the Thomas bill when we say we want the people of the country to know exactly what has happened, and we should not in any way attempt to make it appear that we did something we did not do. Therefore, if the Taft substitute should be accepted, of course, the only consistent action would be to tell the people of the country that the bill in its form then was, of course, unacceptable. With the change in title 3 there may have been some chance to bring about other reforms, but a vote of 50 to 40, with not a sign of a single break, is so conclusive that it would seem not right for us to proceed further with the debate.

Mr. President, to indicate how much of the Taft-Hartley Act would remain on the statute books if the pending amendment of the Senator from Ohio were agreed to, I should like to enumerate 60 changes, from the way in which the law would have read had the Thomas bill become an act, exclusive of those relating to national emergency disputes, which the act made in our Federal labor law, and which the Senator's amendment would continue.

First, there is the definition of the term "person," so that the word "person" in the law would include labor unions. Everyone knows that, whether it is right or whether it is wrong for labor unions to incorporate, they have from the very first resisted having imposed upon them the penalty, as they deem it, of being held to be corporations. We all know that a corporation is a person under most of the legal definitions,

and we bring about by a change of definitions a new characteristic for a labor organization which is offensive to them, and I think in the long run offensive to the whole country, because if labor unions are corporations, they are not what most of the union members have always held them to be, and most of the people have assumed they were.

Mr. DONNELL. Mr. President——

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Utah yield to the Senator from Missouri?

Mr. THOMAS of Utah. I yield.

Mr. DONNELL. The Senator has referred to the fact that in the definition of the word "person" in the Thomas bill the words "labor organizations" are not included as they are in the Taft substitute.

Mr. THOMAS of Utah. That is correct.

Mr. DONNELL. Let me ask the Senator a question about a matter which has puzzled me somewhat. By section 10 (a) of the Thomas bill the Board, that is, the National Labor Relations Board, is empowered "to prevent any person from engaging in any unfair labor practice—listed in section 8—affecting commerce."

Section 8 lists various unfair labor practices, both of an employer and of a labor organization. As I read it, inasmuch as the only empowerment which the Board is given to prevent union members from engaging in an unfair labor practice does not, if the word "person" does not include labor organizations, give it any power to prevent an unfair labor practice by a labor organization, there is virtually no effect to the provision that certain things shall be unfair labor practices on the part of a labor organization.

Is it not true that by eliminating the words "labor organization" from the definition of the word "person" there is no authority on the part of the National Labor Relations Board to prevent a labor organization from engaging in an unfair labor practice, although section 8 creates various unfair labor practices on the part of labor organizations? Am I not correct in that?

Mr. THOMAS of Utah. The Senator may be correct in that statement, but, at the same time, there is quite a difference between the word "person" used in that context and what is included in the definition.

Mr. DONNELL. In section 2 it is stated, under "Definitions":

> When used in this act—

That is, I understand, the entire Thomas Act—

> the term "person" includes one or more individuals, partnerships, associations.

There is not included in the definition the words "labor organizations." Then we come to section 8, and the latter section creates certain acts as unfair labor practices. Then we come to section 10 (a), and the Board is given power to prevent any person from engaging in an unfair labor practice listed in section 8.

The point I make is that inasmuch as by section 8 it is clearly contemplated, as I see it, that certain acts shall be unfair labor practices if committed by labor unions, nevertheless when we get over to section 10 (a), which gives the Board power to prevent a person from engaging in any unfair labor practice as listed in section 8, the Board is without power to proceed against a labor organization at all, because the definition of "person" does not include labor organizations. Am I not correct in that?

Mr. THOMAS of Utah. I do not think the Senator is correct.

Mr. DONNELL. Why does the Senator think I am not correct?

Mr. THOMAS of Utah. For the simple reason that the National Labor Relations Board has been functioning, has been acting, and labor unions have been haled before it, and judgments have been rendered both in their favor and against them, but in the whole time labor unions themselves have not been considered as corporations.

Then there comes a definition which in and of itself makes them corporations. That, I think, is the evil in the provision, because for over 10 years no labor union itself was haled before the Board or went before the Board of its own volition.

Mr. DONNELL. I am afraid I have not made my point clear. Section 10 (a), as I read it, is the section which gives to the National Labor Relations Board power "to prevent any person from engaging in any unfair labor practice (listed in section 8) affecting commerce." Yet, by the very terms of the definition, the term "person" does not include labor organizations. Therefore, in the very section which gives the Board power to prevent a person from engaging in an unfair labor practice, there is no power vested in the Board to prevent such a practice by a labor organization, because under the definition which the Senator was so clearly outlining a few minutes ago, the term "person" does not include labor organizations. It follows, does it not, that since the Board is empowered to prevent any person from engaging in an unfair labor practice, if labor organizations are not included within the term "person" there is no power vested by the Thomas amendment in the National Labor Relations Board to prevent a labor organization from engaging in an unfair labor practice listed in section 8?

Mr. THOMAS of Utah. If I may answer the question by using a term which, not being a lawyer and not being before a court, I should not use, perhaps, I think the Senator from Missouri is making an extremely strained case out of this. These are the facts: The National Labor Relations Board has been functioning for over a decade. Unions have been before them. They have gone before them in accordance with the rules of the Board, and in accordance with the law of the land. But up to date, whether a union is ruled against or whether the ruling is in favor of it, nothing has happened which makes a union into a corporation.

Mr. DONNELL. Mr. President, if the Senator will yield further, under the Wagner Act there was nothing whatsoever that was an unfair labor practice on the part of a labor organization. But now here comes the Thomas bill, undertaking to make certain acts by a labor organization unfair labor practices. That is done by section 8 of the bill. Yet when we get over to section 10, which gives the Board the power to prevent a person from engaging in an unfair labor practice, as listed in section 8, I can very well see the labor-union representative in any case, under section 10 (a), if it shall be passed by the Congress, rising up and saying to the court or to the Board, if necessary, "You cannot do anything to the labor organization, because the term 'person' was distinctly defined in such a way as not to include a labor organization. The chairman of the Committee on Labor and Public Welfare made a special point on the floor of the Senate that the word 'person' does not include a labor organization." Is not that correct?

Mr. THOMAS of Utah. In the Thomas bill the term "labor organization" is defined——

Mr. DONNELL. The term "labor organization" is defined on page 5 of the Thomas bill as meaning—

> Any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

But, Mr. President, that does not answer my point. My point is that the only power under the Thomas bill the National Labor Relations Board has to prevent the engaging in any unfair labor practice is to prevent "any person" from engaging in such unfair labor practice. And the Senator from Utah just a few moments ago argued in favor of his own bill on the ground that the word "person" does not include a labor organization. Therefore I ask the Senator if I am not correct in saying that under section 10 (a) since the word "person" does not include "labor organization," the Board is not, under the terms of the Thomas bill, granted authority to prevent a labor organization from engaging in an unfair labor practice? Am I not absolutely correct in that statement?

Mr. THOMAS of Utah. I do not think so. I have to leave the answer there. I realize that the Senator's argument leads along a certain chain of thought. My theories in regard to the practice lead me along another chain of thought. My answer is definitely "No."

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Utah. I yield.

Mr. FERGUSON. I wish to ask whether it is the intent of the able Senator by his substitute bill to change the law from what it was under the Wagner Act when it was in existence, by allowing the Board to hold labor unions guilty of unfair labor practices, and if so, what are the sections in Senate bill 249, the Thomas substitute, which do so?

Mr. THOMAS of Utah. The answer is "Yes." And——

Mr. FERGUSON. The answer is that the Senator does intend to change the Wagner law?

Mr. THOMAS of Utah. To that extent, yes.

Mr. FERGUSON. To that extent. Now will the Senator indicate the section which does that? As I understand, the Senator from Missouri has clearly pointed out that the Thomas substitute does not accomplish that.

Mr. DONNELL. Mr. President, I spoke for a moment with another Senator and did not get the point the Senator from Michigan was just making.

Mr. FERGUSON. Mr. President, will the Senator from Utah yield so I may make it clear to the Senator from Missouri?

Mr. THOMAS of Utah. I yield.

Mr. FERGUSON. I asked the Senator from Utah whether Senate bill 249, the Thomas substitute, intended to change the Wagner law as it was when it was in existence. The Wagner law did not permit the Board to find a labor union guilty of unfair labor practices.

Mr. DONNELL. That is correct.

Mr. FERGUSON. I then asked whether the Senator from Utah by Senate bill 249, the Thomas substitute, intended to change that law to permit the holding of a labor union guilty of unfair labor practices. The Senator from Utah, as I understand, said "Yes," he did intend to change it. Now I ask him to point out the section of his substitute which does so, because I have just heard the able Senator from Missouri point out the sections which clearly show to the Senator from Michigan that the Thomas substitute does not do so.

Mr. DONNELL. Mr. President, will the Senator from Utah yield to me so I may answer that question?

Mr. THOMAS of Utah. I should love to have the Senator from Missouri answer it, but let me answer the second part of the question asked by the Senator from Michigan, so my answer will be in the RECORD. The Senator will find the provision permitting that on page 11, beginning with subparagraph (b), as follows:

(b) It shall be an unfair labor practice for a labor organization——

Mr. FERGUSON. Mr. President, will the Senator again read that provision for the RECORD?

Mr. THOMAS of Utah. It appears at the bottom of page 11, line 23, as follows:

(b) It shall be an unfair labor practice for a labor organization——

Mr. FERGUSON. And then it continues to page 13, ending with line 5, does it not?

Mr. THOMAS of Utah. That is correct.

Mr. FERGUSON. Very well. The Senator from Missouri then raises the question that under the definition of "person" labor unions are not included.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I am glad to yield.

Mr. DONNELL. They are not only not included, but the Senator from Utah in making an argument here in favor of his bill has pointed out the advantages he sees in not including labor organizations under the definition of "person."

Mr. THOMAS of Utah. No——

Mr. DONNELL. If the Senator will bear with me just a moment, it was clearly intended in Senate bill 249, the Thomas amendments, which are now treated as a bill, to make certain acts unfair labor practices if committed by a labor organization. To that extent there was an attempt to change the Wagner Act, and I think the Senate bill 249 amendments do change the Wagner Act by terming certain things as unfair labor practices by labor organizations. But when we get over to section 10 (a), which is the section which gives to the National Labor Relations Board the power to prevent the engaging in an unfair labor practice, inasmuch as the word "person" does not include a labor organization, section 10 (a) is absolutely nugatory so far as giving the Board any power to prevent a labor organization from engaging in an unfair labor practice. In other words, as I see it, the Wagner Act did not contain any unfair labor practices by labor organizations.

Mr. FERGUSON. That is correct.

Mr. DONNELL. Therefore it was perfectly consistent with that act not to have the word "person" include labor organizations.

But now we have the Thomas bill, which creates certain practices as unfair labor practices by a labor organization, and yet when it gets around to the point of giving somebody authority to prevent those practices by a labor organization, the bill distinctly fails to do so. It leaves the labor organization absolutely not subject to any ruling by the National Labor Relations Board declaring the organization to be guilty of unfair labor practices, because the term used in section 10 (a), which is the enforcement provision, is "any person," and by referring to the definition in section 2, the definition to which the Senator from Utah has referred, we find that the word "person" does not include a labor organization.

So on the one hand we have the bill creating, or purporting to create, and I think it does create, certain acts as unfair labor practices by labor organizations; but there is no power whatsoever under the Thomas bill for the National Labor Relations Board to prevent a labor organization from engaging in any such unfair labor practices.

Mr. FERGUSON. Assuming that the Senator from Missouri has the floor for the moment, let me ask him another question? Then is it not true that there are created certain unfair labor practices so far as the union is concerned, but there is not conferred upon any board or anyone whatever, the right to find the labor organization guilty of an unfair labor practice?

Mr. DONNELL. That is correct in this sense certainly, that although certain practices are made by the Thomas bill unfair labor practices if performed by a labor organization, there is no authority given to the National Labor Relations Board or anybody else, as I see it, to prevent a labor organization from engaging in such unfair labor practices. So it is a perfectly useless provision that is in the Thomas bill which defines what are unfair labor practices by labor organizations, because there is no power vested by the bill in the National Labor Relations Board to prevent a labor organization from engaging in such practices.

Mr. FERGUSON. In other words, so far as any ultimate effect is concerned, the Wagner Act is not changed insofar as it relates to any action.

Mr. DONNELL. That is true so far as concerns the prevention of an unfair labor practice. Certain things are defined as being unfair labor practices, but no one is given the power to prevent such acts being committed by a labor organization.

Mr. FERGUSON. Is there any other board or agency which has the power, other than the board which the Senator is discussing?

Mr. DONNELL. None that I know of.

Mr. FERGUSON. Does the Senator from Utah know of any other board which could find certain acts to be unfair labor practices?

Mr. THOMAS of Utah. I know of none.

Mr. FERGUSON. Then does the Senator from Utah agree with the Senator from Missouri?

Mr. THOMAS of Utah. I definitely do not agree. I follow his logic; but if anyone will read the bill, he will discover that it is all right. In the definition in the Thomas bill—

The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

It does not mention labor organizations specifically.

When we come to that part of the bill which has to do with unfair labor practices on the part of labor organizations, it does not say unfair labor practices on the part of persons. It says:

It shall be an unfair labor practice for a labor organization—

And then certain things are specified. The point the Senator is making is that the penalty provision is written in such a way that a labor union would be exempt unless it were included as a person. In the interpretation of the English language, I think a judge or a board could very well include whatever entity appeared, without inflicting on the board or the judge a definition which holds a labor organization to be a corporation. That is the only point that is being made.

I do not believe that the author of the Taft amendment wishes in any sense to do what he has done. I do not believe he wants to make persons of labor organizations and associations, and thereby make them corporations. In all our discussion we have always saved ourselves and saved one another from ever assuming that a labor organization was a corporation.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Utah. Is there any need, Mr. President, to yield for a question? I have pointed out the fact that

in the enforcement provision only the word "person" appears, which means all the people who come before the Board. But that is not the same definition as it would be if we listed a labor organization as a person. That we have avoided, and we have avoided it purposely. All the argument in the world would never make the Senator from Utah assume that he wanted to bring about a situation in which a labor union becomes a corporation, because he is against it. That is why the bill is written as it is.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I am glad to yield.

Mr. DONNELL. The Senator surely cannot understand that I am advocating, by including the words "labor organization" under the definition of "person," making a labor organization a corporation. I have no such purpose in mind. However, after certain acts are designated as unfair labor practices when engaged in by a labor organization—I refer now to lines 23 and 24 on page 11 of the Thomas bill—when we get to section 10 (a), 10 (b), 10 (c), and so forth, which are the enforcement provisions to prevent a person from engaging in an unfair labor practice, in my opinion no labor organization could be convicted of any unfair labor practice under the procedure outlined in section 10 (a), because, as the Senator from Utah has so clearly and definitely stated, he has purposely left out of the definition of the word "person" the term "labor organization."

I invite attention to the fact that in section 2 the term "person" is not defined in the way there indicated for the purpose of certain specific sections of the bill, and only those sections. The language is:

> When used in this act the term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

But when we get over to section 10 (a), the only entity which the Board is empowered to prevent from engaging in an unfair labor practice is a person. The Senator from Utah has said that he positively will not consent to including in the definition of the word "person" the entity known as a labor organization.

Mr. THOMAS of Utah. No.

Mr. DONNELL. I thought that was what the Senator said.

Mr. THOMAS of Utah. I wish the Senator from Missouri would remember distinctly that the Senator from Utah is talking about the Taft amendment, which makes labor unions persons under the definition of "persons."

Mr. DONNELL. I thought the Senator was talking about the Thomas bill, in which he said the term "person" does not include a labor organization. I pointed out that in the Thomas bill the only entity which the Board is empowered to prevent from engaging in an unfair labor practice is a person; and the word "person," according to the Senator's own positive, repeated statement, does not include the term "labor organization," and he will not consent that it shall. Am I correct?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. FERGUSON. Would it not be possible to cure the defect by inserting after the word "person" in line 5 on page 16, the words "or labor organization"? Would not that cure the defect and make it clear, without having the word "person" include the term "labor organization"? Such an amendment would have to be written into the various enforcement provisions.

Mr. DONNELL. Mr. President, if the Senator will yield, it seems to me that inasmuch as the Thomas bill empowers the Board to prevent a person from engaging in any unfair labor practice, and repeats the word "person" time and time again in the other provisions of section 10, the logical way to make a labor organization subject to the power of the Board to prevent such organization from engaging in an unfair labor practice would be to include after the word "person" the words "or labor organization," just as the Taft substitute does.

Mr. FERGUSON. Could it not also be done by inserting the words "or labor organization" after the word "person" so as not to include labor organizations in the word "person"?

Mr. DONNELL. Yes; I think it could be done in that way.

Mr. THOMAS of Utah. I have no objection to that, but I think it is utterly useless, for the simple reason that everyone admits that a labor organization is an association. There is no doubt about that. It will be noted that in the definition in the Thomas bill the term "person" includes—

> One or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

That surely includes——

Mr. DONNELL. But not labor organizations.

Responding to the question of the Senator from Michigan as to whether the result of including labor organizations could be attained by inserting in section 10 (a) the words "or labor organizations," I think it could, with this simplification, that throughout section 10, which covers several pages and repeats the word "person," it would be necessary to insert in each case the words "or labor organization" after the word "person."

Mr. FERGUSON. That is correct. That is what the Senator from Michigan had in mind. Then the term "labor organization" would not be included in the definition of "person" and we would not have to change the other section.

Mr. DONNELL. That is correct.

Mr. THOMAS of Utah. I thank the Senator from Missouri and the Senator from Michigan. I have no objection whatever to accepting their suggestion, if we ever get around to amending the Thomas bill, and they will offer that suggestion as an amendment to my bill. But the point the Senator knows so well—the touchy point, I think—is not so plain in the Taft amendment, perhaps, as we have made it in the Thomas bill, Mr. President.

Mr. DONNELL. Mr. President, I do not agree with the Senator from Utah, but I shall not infringe upon his time.

Mr. THOMAS of Utah. Mr. President, there are many things we smile about, and on which we do not agree. Sometimes we remain just as happy in disagreement.

But I was as careful as a Senator could be, although I am not a lawyer, and, above all, I am not a technical lawyer. I find myself utterly and completely lost when all five of the great Republican lawyers come at me at once, and then when the Senator from Michigan [Mr. FERGUSON], who undoubtedly is the greatest—what is the term, Mr. President—the greatest question asker, shall I say?

Mr. DONNELL. Does the Senator mean prosecutor or cross-examiner?

Mr. THOMAS of Utah. Cross-examiner, or whatever term is generally used.

Mr. President, I hate to use words to show how weak and nonunderstanding and everything else I am when in the presence of these great lawyers. I honor them and like them and enjoy them. But being so weak when it comes to writing the law, I would leave it, of course, to great experts, as they are.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Utah yield to the Senator from Missouri?

Mr. THOMAS of Utah. I yield.

Mr. DONNELL. This question is not intended in any sense personally or as cross-examination or anything of the sort. I simply wish to ask whether the amendments designated as the Thomas amendments were written by the Senator from Utah himself or by someone else.

Mr. THOMAS of Utah. Oh, no. As everyone knows—and it is stated in my opening statement in the hearings, and it is quite plain—the President sent to the Congress a message in which he said the Taft-Hartley law should be repealed, and then he went on to say that other things should be done. Because the President referred to the other things, I knew that I should not guess about what the President meant by "other things." Therefore, I called the Secretary of Labor and two of the heads of the National Labor Relations Board and Mr. Ching, the head of the Conciliation Service, and the President's adviser in the White House.

Mr. DONNELL. That is Mr. Clark Clifford; is that correct?

Mr. THOMAS of Utah. Yes, Mr. Clark Clifford. I imposed upon them the task of telling what the President meant. That is how this came to be the President's bill. Now that it has been defeated, I am perfectly happy to have it called the Truman bill. Yesterday morning, I still thought it was all right to call it the Thomas bill. But I have advised the members of the committee and other Members of the Senate who wanted to join in sponsoring the bill, "It is inadvisable to put your name on the bill. You had better let the name of THOMAS

take the rap." For their sake, I am glad that was done.

But now that the bill is gone, it can be called the Truman bill, if that is desired, because I put it right up to the representatives of the Truman administration who handle labor matters, and asked them to put it into shape, and they did.

Mr. DONNELL. Mr. President, will the Senator further yield?

Mr. THOMAS of Utah. I yield.

Mr. DONNELL. I ask whether the Thomas bill, the one we are now considering, entitled "Amendments intended to be proposed by Mr. THOMAS of Utah to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes," and bearing the notation "5-31-49—B" was prepared, in collaboration with the Senator from Utah, by the gentleman the Senator has named and with their counsel; and I also ask whether in the conference from which the bill grew, the President's personal counsel, Mr. Clark Clifford, an eminent attorney at law, participated.

The point I make is that the Senator from Utah has referred to the fact that he himself is not a lawyer. Of course, I may say that he takes care of himself quite well on the floor of the Senate. However, he says he is not a lawyer. Therefore, inasmuch as this bill was drawn up, at least, by one or more lawyers, and in the bill they used the word "person," but left out the term "labor organization," from the group of definitions, and then inserted a definition of who it is that the Board is empowered to prevent from engaging in an unfair labor practice, and in that connection used the term "person," which does not include a labor organization, my point is that it would seem strange if that was a mere oversight on the part of the eminent counsel and the gentleman to whom the Senator from Utah has referred.

Mr. THOMAS of Utah. Mr. President, I shall see that they are properly rebuked, because they did work under my direction. [Laughter].

Mr. President, this seems to be a good place to make two corrections which I think should be made in my amendments, following the others which have been pointed out. One is on page 9, in line 10, where the word "therefore" should be the word "therefor." I ask unanimous consent that that change be made in the bill.

The PRESIDING OFFICER. Without objection, that correction will be made.

Mr. THOMAS of Utah. Also, Mr. President, on page 25, in line 23, "Sec. 105" should read "Sec. 103."

That is merely a clerical error.

The PRESIDING OFFICER. Without objection, the clerical error will be corrected.

Mr. THOMAS of Utah. Mr. President, let there be no mistake about our feelings in regard to the Taft amendment. If we repeal the Taft-Hartley law, but adopt the Taft amendment, we shall only be, if I may use the term, "shadow-boxing," for the Taft amendment contains by far the bulk of the Taft-Hartley law. The Taft amendment would make in the Taft-Hartley law 28 changes which the Senator from Ohio has suggested. Some of those changes are large, and some are small; but they do not affect the spirit of the Taft-Hartley law or to a great extent its wording, except in the case of the change in the provision regarding the general counsel, now Mr. Denham; and that is a great change.

Not only does the Taft amendment contain nearly three-fourths of the provisions of the Taft-Hartley Act, but also virtually all the more important provisions of the Act which hamper workers in the exercise of basic rights, which interfere with the free processes of collective bargaining, and which undermine and weaken the labor unions. Mr. President, if these provisions were allowed to achieve their full force and effect—as undoubtedly would be the case if ever we were faced with a real threat of business depression—they would completely stifle the trade union movement in the United States. These provisions, which are in the Taft-Hartley Act, and are continued in the Taft amendment, have no place in our Federal labor relations law.

Mr. President, I ask unanimous consent that a statement regarding some 60-odd changes which the Taft-Hartley Act has made in our labor law, and which the Taft amendment would continue, may be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, to indicate just how much of the Taft-Hartley Act would remain on the statute books if the pending amendment of the Senator from Ohio is adopted, I would like to enumerate 60 changes, exclusive of those relating to national emergency disputes, that the act made in our Federal labor law and that the Senator's amendment would continue:

1. Defining the term "persons" to include labor organizations.

2. Defining the term "employer" in such a way as to relieve employers of liability for the acts of persons acting in their behalf unless such persons are acting as their "agents."

3. Defining the term "employer" in such a way as to exclude Government corporations from the coverage of the amended National Labor Relations Act.

4. Defining the term "employee" in such a way as to exclude "independent contractors" from the coverage of the amended National Labor Relations Act.

5. Defining the term "employee" in such a way as to exclude "supervisors" from the coverage of the amended National Labor Relations Act.

6. Defining the term "employee" in such a way as to exclude from the coverage of the amended National Labor Relations Act any individual employed by employers subject to the Railway Labor Act.

7. Defining the term "employee" in such a way as to exclude any individual employed by "any other person who are not an employer as herein defined" from the coverage of the amended National Labor Relations Act.

8. Defining the term "agent" in such a way as to amend section 6 of the Norris-LaGuardia Act by providing that in determining whether any person is acting as an agent "the question of whether the specific acts performed were actually authorized or subsequently ratified shall not be controlling."

9. Enlarging the membership of the National Labor Relations Board. (Here it may be noted, Mr. President, that the Taft amendment would increase the size of the Board once again from five to seven and would specify that no more than four members are to be affiliated with any one political party.)

10. Authorization to the Board to hear and decide cases through the medium of panels consisting of less than the full membership of the Board in appropriate cases.

11. Abolition of the review section.

12. Prohibiting trial examiners from advising or consulting with the Board with respect to any cases in which they have participated.

13. Prohibiting the review of trial examiner's reports by persons other than Board members or assistants thereto.

14. Prohibiting the Board to employ economic analysts.

15. Making closed-shop agreements unenforceable. (Here again I may note, Mr. President, that the Taft amendment would relax this prohibition slightly so that an employer could, if he wanted to, advise the union in his plant of job opportunities and could get the union to supply his need for employees.)

16. Limiting the effectiveness of union-shop agreements by making it an unfair labor practice for a union to require the discharge of individuals not members of the union, except in certain narrowly defined circumstances.

17. Making it an unfair labor practice for a union to "coerce" employees. (Here, Mr. President, I should like to raise the question as to just how the changes in this provision of the Taft-Hartley Act which the Senator from Ohio has proposed balance up. On the one hand union "restraint" would apparently be permitted since the Senator from Ohio would drop this term from the act. At the same time, unions would be prohibited from "coercing" employees "in the exercise of their right to work.")

18. Making it an unfair labor practice for unions to "coerce" employers in their selection of bargaining representatives.

19. Making it an unfair labor practice for a union to refuse to bargain collectively with an employer. (This would be retained, but on a sounder basis, by amendments already voted into the Thomas bill.)

20. Making it an unfair labor practice for a union to engage in any secondary boycott. (The amendment of the Senator from Ohio would relax this provision slightly to allow one type of secondary boycott, namely, the refusal of union men to work on struck goods.)

21. Making it an unfair labor practice for a union to engage in peaceful picketing in furtherance of a secondary boycott.

22. Making it an unfair labor practice for a union to engage in a strike or boycott in furtherance of a jurisdictional dispute.

23. Making it an unfair labor practice for a union to charge excessive dues or initiation fees.

24. Assuring so-called free-speech protection for employers' antiunion statements. (The amendment of the Senator from Ohio would relax this provision slightly in one respect but at the same time would extend it to cover not only unfair labor practice cases but also representation cases as well. It is to be noted that a "free speech" provision has alrady been voted into the Thomas bill.)

25. Defining in detail the steps necessary to be followed in collective bargaining.

26. Requiring parties to give a 60-day notice of proposals to terminate or modify a collective-bargaining agreement.

27. Permitting individual bargaining with respect to grievances.

28. Permitting the severance of units of professional employees.

29. Permitting the severance of craft units.

30. Permitting employee petitions for decertification of a union certified as bargaining representative.

31. Permitting employers to petition for designation of collective bargaining representatives.

32. Providing that the Board shall apply the same rules of decision with respect to independent and unaffiliated unions as they apply with respect to affiliated unions.

33. Limiting the number of representation elections which may be held in a plant to not more than one in any one year.

34. Changing the rule on run-off elections.

35. Permitting the waiver of hearings in representation cases and consent elections. (Here minor modifications are made by the amendment proposed by the Senator from Ohio.)

36. Providing that in determining the appropriate bargaining unit "extent of organization" shall not be controlling.

37. Providing for elections to determine whether employees wish to discontinue a union's authority to bargain for the union shop.

38. Limiting the number of union-shop elections in any plant to not more than one per year.

39. Requiring that unions file organization and financial data. (The amendment of the Senator from Ohio would simplify the filing requirements somewhat by omitting the necessity for unions to file detailed statements as to their internal procedures. An amendment already voted into the Thomas bill makes the filing requirements a mutual obligation of both unions and employers.)

40. Requiring unions to file non-Communist affidavits. (The Senator from Ohio would modify this requirement by providing that employers as well as unions must file such affidavits and by providing that the affidavit shall contain the additional stipulation that the person filing it "is not a member of or supports any organization that believes in or teaches, the * * * seeking by force or violence to deny other persons their rights, under the Constitution of the United States." The amendment would also include a definition of the term "officer" for purposes of the filing requirements as applied to unions as meaning "members of all policy-forming and governing bodies of the labor organization as well as those designated as such by the constitution of the labor organization." An amendment voted into the Thomas bill makes it a mutual obligation of unions and employers that involve the Board's remedial procedures that their officers shall sign oaths that they do not belong to the Communist Party or to any Fascist or totalitarian organization.)

41. Authorizing the Board to seek jurisdiction to State labor relations agencies in cases where the provisions of the State law are not inconsistent with the Federal act. (In his amendment, the Senator from Ohio would liberalize this provision.)

42. Providing for a 6-month statute of limitations in unfair labor practice cases. (The Senator from Ohio apparently concedes that the 6-month period is too short for he would extend the statute of limitations in his amendment to 1 year.)

43. Requiring that the rules of evidence to be applied by the Board shall be the same as those applied in the district courts of the United States.

44. Requiring unions to pay back-pay.

45. Requiring that findings of fact made by the Board shall be supported "by substantial evidence on the record considered as a whole."

46. Injunction actions by the Board in unfair labor practice cases as well as Board cease and desist orders.

47. Providing a procedure for the decision of jurisdictional disputes. (This provision has happily been modified by the Senator from Ohio so that it is exactly the same as the provision of the Thomas bill.)

48. Limiting the guaranty of the right to strike.

49. Providing that State laws more restrictive with respect to union security shall prevail over the Federal law even in fields within the scope of the Federal commerce power.

50. Providing protection for preexisting union-security agreements for the duration of such agreements.

51. Creating an independent Federal Mediation and Conciliation Service.

52. Transferring the functions of the United States Conciliation Service and the Secretary of Labor with respect to mediation and conciliation to the Federal Mediation and Conciliation Director.

53. Directing the Conciliation Service to refrain from attempting to intervene in local disputes.

54. Directing the Conciliation Service to avoid intervening in grievance disputes arising out of the application of existing collective-bargaining agreements except as a last resort and in exceptional cases. (Again I pause, Mr. President, to say that this seems to be another area in which the Senator from Ohio has seen the error of his ways with respect to the Taft-Hartley Act. In his amendment he has happily taken over the provisions of the Taft bill with respect to disputes arising over the interpretation or application of existing collective-bargaining agreements.)

55. Permitting suits in the Federal courts by and against unions for breach of contract without regard to the amount in controversy or diversity of citizenship—the usual requirements for actions in the Federal courts.

56. Providing that unions shall be bound by the acts of agents and that in court actions in determining whether any person is acting as an agent "the question whether the specific acts performed are actually authorized or subsequently ratified shall not be controlling."

57. Limiting the check-off of union dues. (The amendment of the Senator from Ohio would relax the Taft-Hartley restrictions in one respect but extend the application of the restrictions to fines, assessments, and penalties as well as membership dues.)

58. Limiting the scope and administration of health and welfare funds. (Here, again, Mr. President, the Senator from Ohio would modify the restrictions in the Taft-Hartley Act somewhat. It is worth noting too, Mr. President, that whereas in the report filed by the minority of the Labor and Public Welfare Committee, consisting of the Senator from Ohio, the Senator from New Jersey, and the Senator from Missouri, the provision in the Taft-Hartley Act which makes payments made under health and welfare funds agreements not in compliance with the Taft-Hartley law criminal offenses would have been deleted from the amendment, the amendment which the Senator from Ohio has actually proposed would continue this penalty.)

59. Permitting any person injured in his business or property by a union secondary boycott or jurisdictional strike may bring an action for damages in the district courts of the United States without respect to the amount in controversy, or in any other court having jurisdiction of the parties.

60. Prohibiting political contributions by labor organizations as well as corporations.

61. Prohibiting strikes by Government employees.

Let there be no mistake about it, Mr. President, if we repeal the Taft-Hartley Act but adopt the Taft amendment we are only shadow boxing, for the Taft amendment contains by far the bulk of the Taft-Hartley Act. Not only does it contain nearly three-fourths of the provisions but also virtually all of the more important provisions of the act which hamper workers in the exercise of basic rights, which interfere with the free processes of collective bargaining and which undermine and weaken the labor unions of this country. Yes, Mr. President, these provisions would, if they were to be allowed to achieve their full force and effect—as undoubtedly would be the case, Mr. President, if ever we were faced with a real threat of business depression—these provisions, I repeat, would completely stifle the trade-union movement in the United States. These provisions which are in the Taft-Hartley Act and which are continued in the Taft amendment have no place in our Federal labor relations law.

DISPLACED PERSONS—RESOLUTION BY UNITED ACTION COMMITTEE FOR EXPELLEES

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a resolution adopted by the United Action Committee for Expellees. The resolution was sent to me by Charles F. Gerhard, of 1612 Market Street, Philadelphia, who is chairman of the United Action Committee for Expellees.

I may say that the resolution adopted by this organization in Pennsylvania is of great importance because it goes very fully into the subject. I shall read a portion of the resolution:

Whereas 12 surviving millions of displaced persons called expellees are now in Germany and Austria, who are excluded from the care of the International Refugee Organization because of their German ethnic origin.

Mr. President, in that connection I may say that the International Refugee Organization takes care of all displaced children in the world except German children.

I particularly call that to the attention of the Senate, because there was a speech made by the late President Roosevelt on the 23d day of October 1943, in which he stated that our Government was not fighting the women and children of Germany and Austria, but was, he said, fighting Hitlerism. I call the attention of the Senate further to the fact that approximately 5,000,000 of those people who were opposed to Hitler came in from five other countries, when Stalin's forces went into Rumania and into the other countries. After the war was over, many of those people, at the time nearly 16,000,000 or 17,000,000, who for many years had lived in Germany, or whose ancestors had lived in Germany, came into Germany. Most of them came into the American and British zones. Millions of them never got that far. But so far as can be ascertained, nearly 5,000,000 of them did. The resolution deals with the remainder of these people.

During the Eightieth Congress we succeeded after much debate upon the floor of the Senate in getting written into the Displaced Persons Act section 12, which provided that the German and Austrian quotas should again be opened. They had been closed during the war so far as Germany and Austria were concerned. Under this new bill, those quotas were opened, and they amounted to about 25,000 a year. Section 12 further provided that one-half of the 25,000, or 12,500, should consist of expellees from other countries.

Mr. President, that is very important to some 33,000,000 people in this country who are of Teutonic origin. They had

friends and relatives in the displaced persons camps and in the expellee camps. The people I refer to were residing in Wisconsin, Minnesota, Missouri, North and South Dakota, Montana, Iowa, and other States. They wanted to send for their fathers or mothers or sisters or brothers, or in some instances, for some of their good friends. They found they were unable to do so. Finally, toward the end of the Eightieth Congress, we obtained passage of the Displaced Persons Act. When we drew that bill we had the help of the legislative counsel. We wanted to be sure that the wording of the bill was so carefully drawn that the State Department, which would have charge of the administration of the act, could not fail to bring in these 12,500 expellees. Yet, Mr. President, month after month went by and not a single one of them was brought in. Finally we got in touch with the State Department. We were told they were unable to find a person of German ethnic origin. We took the definition word for word from the constitution of the International Refugee Organization. I charge now, as I charged then, that the refusal on the part of the State Department to bring in these people was deliberate.

Later on, when I took the matter up further with the State Department, they claimed they did not have any money available. That, of course, is nonsense, when we consider the fact that the present Congress and the Eightieth Congress appropriated millions upon millions of dollars for the State Department more than they had had previously in all their history.

The situation today is that all through the Northwestern States, including the States I have enumerated, to which I may add California and a great many other States, including New Jersey and New York, some of the citizens of the United States who desire to bring relatives into the United States have been hamstrung. They have not been able to bring them in, although their applications were signed in some instances nearly a year ago. That is the reason for this organization in Pennsylvania, called the United Action Committee for Expellees, having a meeting and sending to Washington this resolution. The resolution continues:

Whereas these people were for that reason again excluded from consideration as displaced persons by the Displaced Persons Act of 1948 although they have fled or were deported from their homelands because of their religious beliefs, cultural traditions, or national origin; and

Whereas discrimination on account of race, creed, or nationality is inconsistent with the great and noble traditions of these United States—

Mr. President, with 33,000,000 people of Teutonic origin in America, some of them the outstanding generals and admirals of our country in World War I and World War II, think of the International Refugee Organization being based on a constitution that says little German children can starve to death as far as that organization is concerned. I call attention to men like Stassen, Eisenhower, Wendell Willkie, and men of that type, who came from those very areas. To say that children living in countries that have produced men of that kind can starve to death so far as the International Refugee Organization is concerned is unthinkable. Is it any wonder that some of us voted against the approval by the Senate of the International Refugee Constitution in an endeavor to get an amendment which would have carried out the wishes of the late President Roosevelt, and which would have permitted those children to be fed and clothed the same as were the children of other nationalities? The resolution continues:

Therefore be it

Resolved, That this joint conference does request our Congress to amend Public Law 774 to include those of our relatives and friends who were deported or fled from the countries of their birth because of their religious beliefs, their racial or their national origin.

Mr. President, I do not believe the Senate has the slightest conception of what took place immediately after the surrender of Berlin. Do you realize, Mr. President, that for months 33,000,000 citizens of Teutonic origin in this country could not write letters to their relatives there? It was not until 12,000 people in Michigan signed a petition, which was presented to the Senate by the distinguished senior Senator from Michigan [Mr. VANDENBERG], and until I called attention to a petition signed by hundreds and hundreds of people in the State of North Dakota, which petitions finally went to the Committee on Post Office and Civil Service, and after a hearing, that we finally got the mails open, months and months after they should have been opened, so that citizens of this country could write to their relatives over there. And that is not all. More months went by before they could even send money to them. We can imagine how a citizen of this country would feel when his father, mother, sister, or brother was starving to death, when he wanted to send money and food and was unable to do so, month after month. Finally they said 11-pound packages could be sent. Packages weighing 11 pounds were sent over for a while. Later the weight of packages was increased to 22 pounds, and many American citizens sent 22-pound packages, paying, of course, full postage.

The Secretary of War, Mr. Patterson, said the greatest good that was done in the English, British, and French zones was done by the packages coming from the citizens of America. The Secretary left nothing undone in his encouragement to keeping open the mails and for the Army, if possible, to see to it that money which was sent over went to the persons for whom it was intended.

Last October citizens of America sent over 41,000,000 pounds of food and clothing. The gifts went to orphans and other persons whom the citizens sending the gifts did not know. The person most active, the one who gave the best testimony before the committee at the time the question arose, was a British woman, who, after World War I, was in charge of sending bundles to Great Britain. She said it was silly on the part of anyone to object to having CARE packages and other packages sent to Germany and Austria.

The resolution provides, further:

Be it further

Resolved, That as a means to this end, section 12 of the act, which gives these people a token recognition be broadened to admit not less than 54,000 of them on the same basis as other DP's, without unfair and irregular reductions of the German and Austrian quotas, and that the visas so available be effectively allocated, in the spirit of the following amendment to correct the discrimination of subsection (b), section 2, of Public Law 774.

I may say, Mr. President, that the distinguished chairman of the Judiciary Committee, the senior Senator from Nevada [Mr. MCCARRAN], appointed a subcommittee on the displaced-persons matter. The subcommittee has met and has been doing a good job. It is trying to get a law through which will be as satisfactory as is possible for a law of that character to be.

The PRESIDING OFFICER. Does the Senator desire the resolution to be printed in the RECORD?

Mr. LANGER. I thought I had already received that permission.

The PRESIDING OFFICER. The Chair understood the Senator to ask that it go into the Appendix, but, in view of the excellent remarks which the Senator has been making, I wondered if he wished it printed in the body of the RECORD.

Mr. LANGER. To be absolutely certain, Mr. President, I ask unanimous consent that the resolution may be printed in the body of the RECORD.

There being no objection, the resolution was received, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution re expellee legislation

Whereas 12 surviving millions of displaced persons called expellees are now in Germany and Austria, who are excluded from the care of the IRO (International Refugee Organization) because of their German ethnic origin; and

Whereas these people were for that reason again excluded from consideration as displaced persons by the Displaced Persons Act of 1948 although they have fled or were deported from their homelands because of their religious beliefs, cultural traditions or national origin; and

Whereas discrimination on account of race, creed, or nationality is inconsistent with the great and noble traditions of these United States: Therefore be it

Resolved, That this joint conference does request our Congress to amend Public Law 774 to include those of our relatives and friends who were deported or fled from the countries of their birth because of their religious beliefs, their racial or their national origin; and be it further

Resolved, That as a means to this end, section 12 of the act, which gives these people a token recognition be broadened to admit not less than 54,000 of them on the same basis as other DP's, without unfair and irregular reductions of the German and Austrian quotas, and that the visas so available be effectively allocated, in the spirit of the following amendment to correct the discrimination of subsection (b), section 2, of Public Law 774.

Provided that "displaced person" shall also mean any person who otherwise complies with the requirements of annex I of the constitution of the IRO who solely because

of his ethnic origin has been excluded from the concern of the IRO by subsection (a), section 4, part II, of annex I of the constitution of the IRO.

CALL OF THE ROLL

Mr. THOMAS of Utah. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Mundt
Anderson	Holland	Murray
Baldwin	Humphrey	Myers
Brewster	Hunt	Neely
Bricker	Ives	O'Conor
Bridges	Jenner	O'Mahoney
Butler	Johnson, Colo.	Pepper
Byrd	Johnson, Tex.	Reed
Cain	Johnston, S. C.	Robertson
Capehart	Kefauver	Russell
Chapman	Kem	Saltonstall
Chavez	Kerr	Schoeppel
Connally	Kilgore	Smith, Maine
Cordon	Knowland	Sparkman
Donnell	Langer	Stennis
Douglas	Lodge	Taft
Downey	Long	Taylor
Eastland	Lucas	Thomas, Okla.
Ferguson	McCarran	Thomas, Utah
Flanders	McCarthy	Thye
Frear	McClellan	Tobey
Fulbright	McFarland	Tydings
George	McGrath	Vandenberg
Gillette	McKellar	Watkins
Graham	McMahon	Wherry
Green	Magnuson	Wiley
Gurney	Malone	Williams
Hayden	Martin	Withers
Hendrickson	Maybank	Young
Hickenlooper	Miller	
Hill	Millikin	

The PRESIDING OFFICER. A quorum is present.

FEDERAL DEFICITS

Mr. BYRD. Mr. President, when the books are closed tomorrow, June 30, I confidently predict that the Federal deficit for fiscal year 1949 now ending will be $1,500,000,000 on an expenditure basis. I confess I am a piker in predicting deficits, as on May 6 I predicted a deficit of $800,000,000. This shows how fast our fiscal situation can change in a declining economy.

When the budget was submitted in January, the President estimated a deficit of $600,000,000. It will be nearly three times as much as he estimated. Later unofficial estimates revised the deficit up to $800,000,000, and actually, as I said, the deficit will be $1,500,000,000.

This continual upward revision in the deficit estimates is due mainly to a decline in tax revenue derived in recent weeks from withholding taxes on personal income—the direct result of the present business recession.

There can be no doubt that this frightening tax loss in such a short period of time is a forerunner of what may be expected in the new fiscal year beginning Friday, July 1, 1949, and the situation will be worse in the fiscal year beginning July 1, 1950.

The Joint Committee on Internal Revenue Taxation has already revised its estimate of the tax revenue which may be counted upon for the new fiscal year beginning Friday. Under this revision the joint committee forecasts a drop of $2,100,000,000 in receipts during the coming year as compared with the President's budget estimates in January.

In the current fiscal year which ends tomorrow night we must be certain to bear in mind that the current business recession is reflected only slightly in Federal tax revenue collected to date. It will be felt more in the fiscal year beginning Friday. But the full impact will not be felt until the fiscal year beginning July 1, 1950.

In the past 18 years, we have been in the black only 2 years. In the fiscal year beginning July 1, 1949, the deficit has been estimated to be between $3,000,000,000 and $4,000,000,000. It may actually be considerably more than this. In the fiscal year beginning July 1, 1950, when the full impact of the business recession is reflected in the tax income to the Government, the deficit may be $6,000,000,000 to $8,000,000,000, and it is possible it may be even more.

With the personal income—the combined individual income of all citizens—as the principal factor in revenue estimates, we are faced with the fact that under our present tax structure revenue declines at the rate of $1 to each $4 reduction in personal income.

The estimated average of the aggregate annual personal income declined in the first 5 months of this calendar year by about $7,500,000,000, and the trend is still down.

If the recession should reduce individual personal income by 10 percent under the basis for the President's January tax estimate the loss in Federal tax revenue would be in excess of $5,000,000,000. If the recession in business should reduce individual personal income 20 percent the loss would be in excess of $10,000,000,000 in Federal tax revenue—and even then our business would be at a greater level of prosperity that it was in 1940, the year before the war. Should this occur, the tax revenue would be only $30,000,000,000 as compared with the $40,000,000,000 figure at present.

The present expenditure rate against $30,000,000,000 in tax revenue would result in a deficit that would shatter public confidence.

Once more we are on a deficit basis which has brought our national debt to the incomprehensible total of a quarter of a trillion dollars. Let me repeat, that tomorrow night we will conclude a fiscal year in which we are adding a billion and a half to the debt. Friday morning we will begin a fiscal year in which we may increase the debt by three to five billion dollars unless there is drastic retrenchment by Congress or increased taxation. And if such steps are not taken to reduce expenditures we face the prospect of a fiscal year beginning a year hence on July 1, 1950—when the impact of the current business recession will be reflected in the Federal revenue, not only in personal income taxes but also in corporate taxes.

Without drastic retrenchment or increased taxes I should not hesitate to estimate that the deficit in fiscal year 1950 will be from six to eight billion dollars.

I ask unanimous consent at this point to insert in the RECORD the 18-year record of deficits. In the past 18 years we have had Federal deficits in 16 years, and there have been only 2 years when our budget has been balanced, with small surpluses.

The PRESIDING OFFICER (Mr. LONG in the chair). Without objection it is so ordered.

The list is as follows:

	Deficit
1932	$2,900,000,000
1933	2,200,000,000
1934	3,200,000,000
1935	3,400,000,000
1936	4,900,000,000
1937	3,200,000,000
1938	1,400,000,000
1939	3,600,000,000
1940	3,700,000,000
1941	6,100,000,000
1942	21,500,000,000
1943	57,500,000,000
1944	51,400,000,000
1945	53,900,000,000
1946	20,600,000,000

Mr. BYRD. Mr. President, the surplus in 1947 was $754,000,000. In 1948 it was $8,400,000,000. But let me say that that surplus was not due to any retrenchment on the part of the Congress or any reductions in appropriations. It was due to abnormal inflation that followed the last World War.

In this connection it should be pointed out parenthetically that all figures I have mentioned for the fiscal years 1948 and 1949 disregard the bookkeeping effects of the so-called "foreign economic cooperation trust fund." I regard that as a juggling of the budget figures, and when I give these figures I exclude that transfer to keep the calculations on an annual expenditure and revenue basis. Never before, so far as I know, has an effort been made to put certain appropriations in a trust fund for the purpose of changing the year, from a bookkeeping standpoint, to which the expenditure would be charged.

Although it may be contended the estimated personal income is still above its level at this time last year, the fact remains that it is not now producing tax revenue sufficient to meet the expenditure program.

Therefore, it is very evident that we are facing a real financial crisis. Congress must soon make the fateful decision:

First, whether to retrench drastically.

Second, whether to impose staggering new taxes.

Third, whether to embrace deficit spending again.

To me, the third course would be the road to certain ruin, for, if we again deliberately embark on deficit spending during peace and prosperity, it is doubtful whether we will ever balance the budget thereafter.

The disastrous results of imposing huge new taxes upon a declining business economy should be, I think, recognized by all. Such an attempt may result in diminishing returns.

Congress could increase the tax rates, but it is possible, if not probable, that the impact upon our business economy in a period of receding prosperity would actually reduce the revenue to the Government. If this should occur I believe it would mean disaster for I have always thought that when additional taxes result in diminishing returns, it would

mark the beginning of national insolvency.

The only course remaining open is to reduce expenditures to the point of a balanced budget under existing taxes. In fact, a reduction in tax rates would have a wholesome influence if it could be done without deficit spending.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. GEORGE. I am very glad that the Senator stressed a reduction in expenditures. It is quite possible, of course, that before we can again right the ship we shall have to have both a reduction in expenditures and certain increases in taxes, if such increases can be made without actually increasing the deficit which the Senator from Virginia pointed out. It is not a propitious time now, I think—and this is a question which I wish to address to the Senator—to speak of increasing tax rates during this session of the Congress. In that respect I fully agree with the Senator, and I wish to emphasize that I think the greatest service the President of the United States could render the American people today and tomorrow would be a clear, definite, positive statement that at this time it would be inadvisable to undertake to increase the tax rates.

Mr. BYRD. I entirely agree with what the Senator from Georgia has said.

THE UNEMPLOYMENT SITUATION IN CONNECTICUT

Mr. BALDWIN. Mr. President, first I wish to commend the distinguished senior Senator from Virginia [Mr. BYRD] for his untiring efforts in trying to bring to the attention of the Senate and of the people of the country at large the trying, difficult, uncertain fiscal situation which faces the Nation. I believe that not many people are aware of the fact that the fiscal situation—the threat of a deficit and the threat of higher taxes—is one of the biggest factors in the unemployment situation.

More than a year ago the distinguished senior Senator from Virginia made a speech on the floor of the Senate which the junior Senator from Connecticut remembers very well, in which he forecast with almost unerring accuracy exactly what is taking place now. He pointed out at that time the dangerous situation we were confronting. About a month ago the distinguished senior Senator from Virginia made another speech. It was a matter of sincere regret to many of us who were greatly interested in that speech that very few Senators were present late one Friday afternoon when he obtained the floor and delivered that memorable address. Today he has made another great contribution in this field.

At this point I should like to call attention to a situation in Connecticut as regards unemployment, a situation which I think is in large part caused by the uncertain fiscal policies of the Government—the uncertainty as to whether or not we are to have a deficit, and how big it is to be this year, knowing that if there is one this year there will be an even greater one next year, with more taxes on top of it.

In the State of Connecticut, as of June, the employment and unemployment figures do not give the whole story as to the present manufacturing and production levels. Of the 402,500 persons working in factories in Connecticut one year ago, 70,000 are no longer employed, but of those still working, 71,000 put in less than full-time hours. Seventeen thousand are working less than 32 hours a week, and 2,000 less than 24 hours.

In the midweek of June 1948, Connecticut factory workers put in 13,900,000 hours. In June, 1949, this figure dropped to 10,500,000 hours, a decline of 25 percent in 1 year. The downward trend in Connecticut employment continued in June with reductions still continuing in manufacturing firms. However, it is perhaps somewhat encouraging to note that lay-offs were not so heavy in June as they have been up until now, indicating that there may be some stability in the situation. However, employers back home do not feel that way.

In April, employment totaled 721,010. In May it dropped to 708,000. The first returns for June indicate a further decline.

Nonmanufacturing employment has shown an increase each month since March, but these gains have been obscured by the sharp drops in the number of factory workers.

Unemployment in Connecticut has reached the highest level in more than a decade, 96,400 in mid-June, a new 11-year peak. In the middle of May, job seekers totaled 85,200, and in April, 79,200. The number currently out of work is more than three times the 30,000 unemployed 1 year ago in June 1948.

So in one of the great industrial States of the Union—and there are other industrial States very much like it—we are seeing a very serious decline in employment, and it behooves us in the Congress to take some action to combat that situation. I cannot be too vehement in expressing deep concern regarding unemployment in Connecticut and the relation which the fiscal policy of the Government has to that situation.

THE SITUATION IN CHINA AND THE FAR EAST

Mr. KNOWLAND. Mr. President, I wish to discuss briefly today the situation in China and the Far East. The news ticker carries a United Press dispatch saying:

> The United States today refused to recognize the legality of Nationalist China's blockade of Communist-held ports and territorial waters.
>
> Its position was set forth in a note saying that this Government "cannot admit the legality of any action on the part of the Chinese Government" unless an effective blockade is declared and maintained.
>
> The note was made public by Secretary of State Dean Acheson. He told a news conference the United States attitude is that the Chinese Government cannot escape responsibility for any action taken against foreign vessels which try to run the blockade—unless an effective blockade is maintained.
>
> The United States note said that this Government, in taking its position, has been guided by numerous precedents in international law and has noted that the ports referred to are not under the actual control of the Chinese Government.

I may say parenthetically that obviously the Chinese closure of the ports in the Communist area was to help them, insofar as possible, to combat the civil war now going on in that country; and obviously they would not be closing their own ports in the non-Communist areas of China.

Continuing with the dispatch:

> Acheson said he understood Britain had taken a more extreme position against the Chinese measures.
>
> The United States note, he said, merely reserves rights of American citizens, and does not mean that the United States is trying to conduct trade in the closed ports, or that the Government would attempt to run the blockade.

I interpolate at that point to say that I commend the State Department at least for that position, which apparently it is temporarily taking. It is in contrast to the dispatch which I read from Hong Kong yesterday, which appeared in the New York Times, to the effect that apparently the British Government had instructed that its war vessels give assistance in running the blockade. I hope the Hong Kong dispatch was not correct, but there are numerous indications that it may well have been correct.

Continuing with the dispatch:

> On other subjects related to China, Acheson said that if the State Department publishes a white paper on its relations with China, the long-secret report by Lt. Gen. Albert C. Wedemeyer probably will be included. He said a great deal of work is being done to compile the report on United States-Chinese relations, but he could not set a date for its appearance.

Again I interpolate to say that the publication of the Wedemeyer Report is long past due. We had some discussion on the floor of the Senate last week, which was joined in by the Senator from Maine [Mr. BREWSTER], who had opened the discussion, and the Senator from Michigan [Mr. VANDENBERG], a member of the Foreign Relations Committee, in which I think it was very clearly outlined to the Senate that the same type of relationship in regard to the formulation of policy had not existed in regard to our Far Eastern and China policy as had taken place in regard to the United Nations, the Rio Pact, the Atlantic Charter, and the ECA. I think that is most regrettable, because perhaps the very difficult situation in which we find ourselves in China today would have been far different had full consultations taken place before decisions were made, and not merely as an informative basis after the decisions had already been made.

Mr. President, I wish to say that recently I had brought to my attention certain documents which make it a little easier to analyze some of the statements in regard to China policy which the State Department has given out in the past. I regret to say that there is a very strong impression abroad that China has been subject to all sorts of rumor and that certain bits of information have been passed out to do her a great deal of damage. The excuse is made that the Wedemeyer Report was not made public because it might do some damage to the National Government of China; but at the same time that excuse is given to

some of our correspondents who have inquired of the State Department, very little is left undone to undermine the position of the National Government of China, which is the only legal government of China today.

The situation was very clearly brought out in the official release of the State Department, when it listed a substantial sum of money as showing that the United States had been most generous toward China, and giving the very clear implication that most of that aid had gotten into the hands of the Communists. Mr. President, that is not a fact. As I pointed out on a previous occasion, the State Department forgot to mention that of the $728,000,000, in one lump-sum amount, over $600,000,000 was a charge which this Government made to the Chinese Government for transporting their troops to Manchuria and to north China in order to accept the surrender of the Japanese forces. Obviously, none of those transport charges could have fallen into the hands of the Communists. Yet the impression was left with the Congress and with the American people that all that amount represented aid of a type of matériel which could fall into other hands.

I wish to point out that 4 years after VJ-day, the number of weapons furnished China should be no military secret; but not knowing the numbers of the weapons actually supplied is one of the best devices used by the State Department to allegedly furnish Congress with information—in such case, inaccurate and misleading information—in regard to military aid to China.

The lengthy State Department statement to Congress of February 20, 1949, to which I have already referred, shows China charged with lend-lease aid in the total amount of $190,188,218 for "tanks and motor vehicles," of which $94,202,088 in pre-VJ-day, and $95,986,129 is post-VJ-day. Assuming for the moment that those figures are correct, they would be equally correct whether 2 or 2,000 tanks were furnished. If a Member of Congress happens to assume that important numbers of tanks were supplied, that is his fault, I suppose, according to the theory of the State Department.

Prior to the bitter and victorious 1944 fighting in Burma, which reopened the Burma Road, Chinese troops in India were reportedly given 160 obsolescent light tanks. The price list value of those tanks was $32,000 each, or a total of $5,132,000, which is less than 3 percent of the total money value which the Department of State told Congress was spent for tanks and motor vehicles for China. Those are all the tanks the Chinese armored force ever had. About 100 were left after the Burma fighting, and later were shifted to China. Some are still in service with the Nationalist Government troops, which is an excellent performance when it is remembered that the United States Army figures the average life of a tank in active service as less than 1 year. Congress would have no just complaint if the State Department had given it a forthright statement or table of weapons showing 160 light tanks charged to China before VJ-day and none charged after VJ-day. But such a table would ruin the State Department and Communist myth of vast numbers of weapons having been given to the Chinese Nationalists to lose promptly to the Communists.

Mr. President, I say that when reports of that nature are given out, it borders on sharp practice by a department of the Federal Government in dealing with the Congress and the people of the United States.

Let us examine now the question regarding 10,000 tons of ammunition for China. Since the fall of 1945, the one type of ammunition vitally needed for such United States weapons as the Chinese Army were supplied with under lend-lease has been caliber .30 ammunition for ground-type rifles and machine guns. That was embargoed during the crucial period of 1946–47. At the very time when we had levied the embargo on ammunition to the Government of China, the Russian occupation forces in Manchuria and northern China were turning over to the Communist forces of China the supplies of the Japanese Army which had been captured there, which have been estimated by competent military personnel to be the equivalent of enough to supply a million men for 10 years. So while we were putting an embargo upon the legal Government of China, the Communist forces were being supplied with sufficient material to equip 1,000,000 men for 10 years.

The official records of this transaction show that exactly 52,500 rounds of the caliber .30 ammunition for ground use, weighing exactly 2.46 tons were included. There is a vast contrast between those figures and the letter written by Assistant Secretary of State Ernest Gross to the Honorable JOHN KEE, chairman of the House Committee on Foreign Affairs, in which letter the statement is made:

> Approximately 10,000 tons of small arms and artillery ammunition purchased by the Chinese Government from the Office of Foreign Liquidation Commissioner at a fraction of the procurement cost was shipped to China during June, July, and August, 1948.

As I say, the crucial small arms ammunition which was so badly needed amounted to exactly 52,500 rounds, or 2.46 tons.

The following percentages show the relative unimportance of the above all-important type of ammunition which was shipped to China in the summer of 1948, which was a crucial period in the Chinese civil war:

(a) By weight, it was one-fortieth of 1 percent of the Hawaiian shipments.

(b) By number, it was one forty-eighth of 1 percent of that reported to General Marshall as an emergency need, while he was in China, but which never was supplied.

(c) By number, it was one one-hundredth of 1 percent of what the Chinese attempted to purchase commercially in the United States in the summer of 1946, but which proved impossible of purchase, as export licenses would not be issued.

(d) By number, it was about one one-hundred-and-fiftieth of 1 percent of what the United States would have furnished had it carried out its obligations under the 39-division program.

Other features of Mr. Gross' letter have been separately analyzed, and will be discussed in the future, as the occasion arises.

Mr. President, at this time I wish to say that there have been indications contrary to the statements made by Mr. Acheson at his press conference today. In his final paragraph Mr. Acheson indicated that there was no present intention to recognize the Communist government of China because, if I remember correctly, he said no such government has been organized or has requested recognition.

I do not think it is in strict conformity with the facts when he says that the matter has not been under consideration in the State Department. I have information which I believe to be accurate, and I state on my own responsibility as a Senator of the United States, that discussions have been going on in the State Department for a considerable period of time relative to the question of the future recognition of the Communists as the government of China and I have reason to believe that communications have passed between the Government of the United States and the Government of Great Britain on this subject. I do not state that any definite conclusions have yet been reached. It is obvious that until the Communists organize themselves as a government and ask for recognition, recognition now would be premature. I am not interested in the question as to whether recognition is contemplated today or tomorrow, but both the junior Senator from California and the 20 other Senators who signed the letter to the President of the United States on this subject are interested to know whether there is serious consideration being given by the Government of the United States to the eventual recognition of the Communist regime in China. It is a very important question.

In the New York Herald Tribune of this morning Mr. Mark Sullivan has an interesting article, which I ask to have printed at this point in my remarks, which points out the repercussions which have ensued since the recognition by the United States Government of the Russian Government in 1933, and what has been the outgrowth of that action. He points out that the ultimate fall of China into Communist hands would be the greatest advance which communism has made since they originally took over the control of the Government of Russia.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIA'S FAILURE TO KEEP PLEDGES OF 1933 IS FOUND COSTLY TO UNITED STATES—MARK SULLIVAN POINTS TO EXPENSE OF RED TRIALS, SAYS CHINA MARKS NEW PHASE OF PROBLEM

(By Mark Sullivan)

The House Committee on Un-American Activities last week issued a report dealing with pro-Communist activities in this country by groups who are natives of Russia and its satellite countries. To limit this the committee recommended strict enforcement of the treaty made between the United States and Russia in 1933. Strict enforcement of that treaty now would be 16 years belated. The treaty was the beginning of relations with Russia which now compose a tragic era.

Preceding 1933, the United States for 16 years had continuously denied recognition of the Communist government of Russia.

Recognition was denied by four Presidents—Wilson, Harding, Coolidge, and Hoover. Then President Roosevelt, within a few months after he took office, extended recognition.

RUSSIA'S SPECIFIC PROMISES

This was done in a formal treaty in which the Russian Government made specific promises. The main was "to refrain and restrain all persons * * * under its direct or indirect control * * * from any acts, overt or covert, liable in any way whatsoever to injure the tranquillity, prosperity, order, or security of the * * * United States * * * or any agitation or propaganda having as an aim * * * the bringing about by force of a change in the political or social order of * * * the United States."

To rivet the official promises of the treaty, Roosevelt procured a letter from the Russian representative who had conducted the negotiations, Maxim Litvinov. Litvinov declared:

"It will be the fixed policy of the Government of the Union of Soviet Socialist Republics to respect scrupulously the indisputable right of the United States to order its own life within its own jurisdiction within its own way, and to refrain from any interference in any manner in the internal affairs of the United States." To that Roosevelt replied that he was glad to have this expressed assurance of the fixed policy of Russia.

The treaty was immensely valuable to Russian communism. Previously, its agents could not enter the United States legally. Those who did so came furtively. Further advantage came from the now permitted setting up of a Russian embassy in Washington, consulates in some cities. The greatest advantage lay in the prestige of recognition. By implication, our people, and the world, got assurance that Russian communism must not be so great a threat as had been supposed, else our Government would not have recognized it and set up diplomatic relations with it. To opportunity for infiltration and propaganda here, Russian communism got the further advantage that our people were disarmed of suspicion and defense.

The 16 years since our recognition of Russia is an epoch, not an ended epoch, on the contrary one spreading out into new developments. In the present stage it is the country's major concern, domestically and in its relation to the world.

Last week the three court trials that commanded the country's most intent attention had to do with communism. All the trials had gone on for weeks or months. One was a trial of 11 heads of the American Communist party on charges of conspiracy to teach and advocate overthrow of the Government. One trial arose out of a charge that an employee of the Department of Justice had attempted to transmit Government documents to a Russian. One trial arose out of possession of confidential State Department documents by an admitted spy of the Russian communism.

TRIALS COSTLY TO UNITED STATES

If these three trials happened to be simultaneous and conspicuous last week, they were but an indicative fraction of the expense to which we are forced to concern ourselves about penetration of Russian communism into our domestic institutions. And in our relation to the world, defense against Russian communism consumes more than half the expenditures of our Government.

Of the present widening out of the era that began in 1933, there was a landmark in Washington last week. Twenty-one Senators signed a strongly-worded statement against any recognition by our Government of the Communist Government in China. Dominance in China is the longest step toward world dominance that Russian communism has yet achieved. By it the United States, as a Nation and as the spearhead of world resistance to the Communist drive, is confronted with a new phase, the scope of which cannot yet be comprehended.

Mr. KNOWLAND. Mr. President, 2 days ago, the Washington Post, which is an outstanding newspaper and very alert in the field of international affairs, made some comment relative to the letter which was written to the President of the United States by the 21 Senators. As I recall the editorial, it was critical of the letter. The editorial stated that, after all, recognition did not necessarily mean the approval of the Government to which we had sent an ambassador. Of course, I agree that that is a correct statement of fact. But when it is said that from time immemorial we have recognized governments with which we did not agree, I want to point out that, while that is correct, yet in the days when one Government of Mexico was succeeding another, or one government in some country of Europe or in Africa was succeeding another, whether by legal means or by revolution, the situation was far different from what it is today, when there is an international conspiracy of communism which has as its avowed purpose the overturning of all the non-Communist governments in the world. Consequently I do not feel that any historic policy which was based on a different set of circumstances need necessarily apply when it comes to recognition of a Communist government, and particularly when the legal government is being overthrown by forces allied with the international conspiracy of communism.

Mr. President, there is a great deal of concern I believe in this country, and I think, on the Pacific coast. I happen to represent in part the State of California that looks out over the Pacific Ocean. We were familiar with the fact that in the days before Pearl Harbor the State Department of the United States approved the shipping of scrap iron and oil to Japan. Many of us who were not in public life at that time raised objections to the shipment of oil and scrap iron to Japan, first, because we felt it was morally indefensible to do so, for those articles were obviously going to be used against our historic friends in China; and, secondly, as we pointed out, because they were very likely ultimately to be used against the United States of America itself. I do not have to reiterate here today the fact that some of that oil and some of that same scrap iron came back at us on the morning of December 7, 1941, at Pearl Harbor.

I cite that to indicate that the State Department itself is not necessarily infallible. Like all human agencies it is subject to mistakes, but most human agencies will recognize when they have made a mistake. The difficulty with the State Department apparently is that it never wants to recognize when it has made a mistake. It has followed a bankrupt policy in the Far East. It has followed a policy which has completely reversed an historic, traditional policy of the United States of America, which was to maintain the open door in China, to maintain a free and independent and a sovereign China, a friendly China. All those things, the whole policy which followed down from the days of John Hay, will be lost if all of China passes behind the iron curtain.

The able Senator from Michigan [Mr. VANDENBERG], for whom I have the highest respect and regard, and who is one of the great men among those who have served in the Senate of the United States, with all its historic background and traditions, has pointed out that the same bipartisan policy which was followed in the course of our relations with some of the European countries was not followed in the case of the Far East. He also, in his very fine and generous way, said that when all that had been said, it was more difficult to say what the policy should be rather than to be merely critical of it. I think that is a fair observation. I think that each one of us, as a Senator of the United States, must keep that in mind. We cannot deal with wishful thinking. We must deal with the facts, the realities as they exist. A proper policy now is more difficult than it would have been if instituted a year ago or 2 years ago or 3 years ago. But I submit, Mr. President, that it is no policy at all merely to wait until the dust settles, as the State Department representatives have sometimes expressed their policy.

Now, what can be done? I desire to call attention to an article which appeared in Time magazine, the issue of June 27, on page 25, under the heading "Ma versus Marx," which goes into the situation of Gen. Ma Pu-fang in the so-called western province of China, the so-called Moslem province, where there is a substantial group of Chinese who are bitterly opposed to communism, where they have had leadership that has attempted to solve some of the economic problems of the province, where they have required universal education for the children, where there is loyalty to the governor of the province. General Chennault testified before the Armed Services Committee that with very little help in the way of small arms and ammunition, perhaps mortars and some mountain artillery, with no need for heavy equipment of tanks and planes or large caliber guns, General Ma and the group in that area in China could probably hold out for a number of years.

I ask unanimous consent to have the article from Time magazine printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MA VERSUS MARX

While Red armies swept unchecked toward Canton news came of a jolt to Communist hopes in China's far northwest. Last month 120,000 Reds under Gen. Peng Teh-huai had chased an old Nationalist adversary, moody Gen. Hu Tsung-nan, from the stronghold of Sian. The way to rich Szechuan Province and its famed capital Chungking seemed open. Instead, Communist Peng's men, thrusting on from Sian, rushed into a trap; it was the Chinese Red army's first defeat since the start of their all-out offensive.

The trap was sprung by hard-riding horsemen of Ma Pu-fang, the Moslem boss of China's northwest. First, retreating Hu Tsung-nan made a stand some 75 miles from

Sian. Then, swooping from the mountains in the Communist rear, Ma's cavalry, about 20,000 strong, and led by Ma's 29-year-old son, Maj. Gen. Ma Chi-yuan, took the Reds by surprise, cut them up, forced them into ragged retreat. Last week Ma's cavalry were still carrying on the fight against four Communist armies in the vicinity of Sian. For a while, at least, both the Northwest and Szechuan would be valiantly defended.

THE NEW BOSS

The tidings of his son's victory reached Ma Pu-fang as he was settling down in his big stone headquarters outside the walls of Lanchow, gateway to the Northwest. The dying Nationalist government had appointed him supreme commander of an area about 13 times as big as Texas, mostly wasteland, underdeveloped and underpeopled (about 14,000,000—one-third Han Chinese, one-third Moslem Chinese, and the remainder Tibetans, Turkis, Mongolians, Kazaks). Ma's elevation put the Northwest on its own. His land was a poor holding in comparison with the lost coastal regions and lush river valleys, but, until conquered, it would be a thorn in the flesh of Communist China.

Ma began his rule in characteristic style. From Sining, capital of his own Chinghai Province, where he has been lord and governor since 1936, he sent a column of his Moslem cavalry to Lanchow. They pitched their white tents and grazed their horses on the city's airfield, took over the guard of public buildings. Ma was making sure that Nationalist troops in Lanchow would not revolt against him. Then, unannounced, he followed in a green Buick escorted by a truckful of bodyguards.

THE OLD PILLAR

Black-bearded, burly Ma Pu-fang, now 46, has been a pillar of anti-Communist strength in the Northwest ever since his troops hurled back the Communists of the Long March in 1934–35. A highhanded but benevolent despot, he has also given his spare, dry, upland Chinghai Province (population, 1,500,000) some of China's best roads, extensive irrigation works, and a spectacular reforestation program. Over 13 years he supervised the planting of millions of willow, poplar, and acacia seedlings to shade the roads, check river-bank erosion, supply fuel. "Even when I was a little boy," he once explained, "I liked to plant trees. In Chinghai trees mean greenery and water, life and abundance. I sought to persuade my kin and friends to plant trees. I had no power then and made little headway. But as governor I acquired the power to persuade * * *."

Ma's "persuasion" took the form of drafting his people for tree planting. Once a year every village was given a quota of seedlings and told where to plant them. No man might destroy young trees; Ma's penalty for illegal cutting was "one head for one tree." Ma made education compulsory for all children through the age of 16. He gave the students books, uniforms, board, and one silver dollar monthly in pocket money. To improve the public health he ordered all citizens to kill and turn in to the authorities 5 to 15 flies daily. He kept inflation out of Chinghai; today one silver dollar, worth about one United States dollar, will buy 200 eggs or 5 live sheep.

ARMS AND THE MEN

Ma's army, about 250,000 strong, has drawn heavily on Chinghai manpower. The military draft age is 16 to 45, but strictly enforced regulations provide that at least one able-bodied man must be left behind with each household. Training is intensive, stresses local loyalty. Ma's biggest military problem is adequate arms for his men.

With what they have had Ma's men have consistently beaten the Communists. Just a year ago young Ma Chi-yuan, the cavalryman, mauled three Red columns trying to sweep around Sian. An only son, young Ma is the apple of his father's stern eye. Reared under severe Moslem discipline, he likes to plaster his headquarters with such Chinese proverbs as "Genius never neglects labor." He also likes United States movies and swing, dislikes the Russians because, among other things, they intend to make war on the Americans. He has two wives. When Chinese newsmen asked him which he preferred he said he loved "both." Not content, the newsmen asked what room he visited first when he returned home. Like a Solomon, young Ma replied: "I always go to my mother first. Usually my two wives are there."

With the help of his soldier son, the elder Ma thinks he can more than take the measure of the Communists: "Without aid from the Nationalist government or the United States, I can hold this area indefinitely and even take back Sian. With aid I could mount an offensive that would take back Peiping."

Ma and son were not likely to get outside supplies. They might overextend themselves even if they tried to recapture Sian. But they stood a fighting chance to hold the Northwest for some time to come. When and if the Communists struck them in a major assault, Ma and son might still hold out by withdrawing to the wild mountains of Chinghai.

Mr. KNOWLAND. I submit that it would be to the advantage not only of the United States of America but of the entire Western World to have available some non-Communist areas left on the continent of Asia, in what has been termed China, rather than to have the entire country overrun. General Chennault when he appeared before the committee, stated that there were other areas in China which, by the nature of their terrain furnished much better opportunities for resistance than the northern open plains. I submit that this matter is worthy of consideration by the Government of the United States, because again I wish to say it simply does not make sense for us to follow a partial policy in Europe which is costly in dollars and costly in risk, while we are trying to preserve 200,000,000 Europeans from going behind the iron curtain. I support a firm policy, because I think it is in our vital national interest that western Europe not pass behind the iron curtain. I shall support the Atlantic Pact, because it is vital to the defense of the Nation and to the ultimate peace of the world; but it simply does not make sense for us carefully to guard our front door on the Atlantic while we leave wide open our back door on the Pacific and are unconcerned about 450,000,000 Chinese going behind the iron curtain in that area of the world.

While it may be repetitious, I think it is important for the Senate and for the Nation to recognize what has been testified to by competent military observers, that if China ultimately goes Communist it will probably be impossible to keep French Indochina, Siam, and Burma from going Communist. If they go Communist, there is doubt whether India can be prevented from going the same way, ultimately. If the entire continent of Asia goes behind the iron curtain or becomes subject to the domination of international communism, our highest military authorities on the Islands of Japan believe it will be impossible to preserve Japan ultimately from going behind the iron curtain and coming into the Communist orbit, unless we are willing permanently to underwrite the economy of Japan and are willing permanently to underwrite the defense of Japan by the United States Army, Navy, and Air Force.

So, Mr. President, we have a right to ask the Foreign Relations Committee and the State Department to take due notice of the fact that if they are going to ask us to support what I believe to be an intelligent and sound policy in Europe, they must be prepared to come before the Senate of the United States with an intelligent and sound policy in the Far East.

FISCAL SITUATION OF THE UNITED STATES

Mr. MARTIN. Mr. President, I think we are all very greatly impressed with what the distinguished senior Senator from Virginia [Mr. BYRD] stated a while ago. I did not have any realization that the deficit amounted to a billion and a half dollars. That means that every man, woman, and child in America should be deeply concerned relative to our fiscal situation. With an income of considerably more than $200,000,000,000 the country should be operating within its income. We are now paying the largest taxes in the history of the Nation during peacetime. It reaches almost to the amount of the tax bill during wartime. There is only one thing that I can see to do, particularly when we hear the references made by the distinguished Senator from Georgia, the chairman of the Finance Committee [Mr. GEORGE], that there cannot be any increased taxes by raising the levies. There is only one thing to do, and that is to cut down expenditures. I had hoped that Congress would have the courage to keep expenditures for the next fiscal year within the limits of the tax receipts; but if we do not have that courage, I cannot see that there is anything for us to do except to give a directive to the President of the United States.

I am also alarmed over unemployment in Pennsylvania. The distinguished junior Senator from Connecticut [Mr. BALDWIN] has referred to the unemployment situation in his State. In the State of Pennsylvania unemployment has reached a figure of almost 400,000, but, in addition, there are many part-time employees, putting the skilled craftsmen's budget out of balance. We must be concerned about this fiscal policy at the grass roots. The people of the United States can have their Congress and their President cut down the expenditures by Government if they demand it.

So, Mr. President, with this little reference, I am appealing to the people back home to become concerned regarding the solvency of the United States. America cannot do in the world the things we are contemplating unless we remain sound from a fiscal standpoint.

1934 TRADE AGREEMENTS ACT (FREE TRADE) VERSUS FLEXIBLE IMPORT FEE

Mr. MALONE. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point an article appearing in the Washington Star of June 28, 1949, which quotes a statement by

the senior Senator from Georgia [Mr. GEORGE], from which I shall read a few sentences, as follows:

But Senator GEORGE, Democrat, of Georgia—

The chairman of the committee—

said the treaty has created a serious situation. He said it will complicate his job of getting the Senate to approve an extension of the reciprocal trade-agreements program asked by President Truman (1934 Trade Agreements Act).

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star of June 28, 1949]

BRITISH-ARGENTINE PACT HITS RECIPROCAL TRADE POLICY, SENATORS SAY

Senators today described the British-Argentine trade pact signed yesterday as a heavy blow to this country's reciprocal trade policy.

Publicly and privately, they accused Britain of following a policy which tends to choke off the free world trade sought by the United States.

The pact, binding Britain and Argentina to do most of their trading with each other over the next 5 years, was signed in Buenos Aires.

SERIOUS SITUATION SEEN

The State Department, which had vigorously objected to such a deal, made the best of it yesterday and issued a toned-down statement expressing gratification that substantially more flexibility had been written into the agreement.

But Senator GEORGE, Democrat, of Georgia, said the treaty has created a serious situation. He said it will complicate his job of getting the Senate to approve an extension of the reciprocal trade agreements asked by President Truman.

As chairman of the Senate Finance Committee, Senator GEORGE will lead the fight to extend the President's powers to negotiate trade agreements which lower tariff barriers.

Senator MILLIKIN of Colorado, ranking Republican member of the Finance Committee, said the pact "will have a tremendous impact on our reciprocal trade system."

UNITED STATES SEEN FROZEN OUT

Under the agreement, Britain will furnish Argentina most of her imports in return for meat and cereals. American critics say the pact will virtually freeze the United States out of the Argentine market.

But even more serious, some Senators say, is the fact that the treaty sets a pattern which may wreck American efforts to break down trade barriers.

"The pact tends to restrict rather than expand freer world trade," Senator MILLIKIN said. "And it indicates we are working at cross purposes with the second greatest trade country in the world (Britain)."

Mr. MALONE. Mr. President, I want to point out that the 1934 Trade Agreements Act does not include the words "reciprocal trade." That is simply a trick phrase on the part of the Administration to sell free trade to the American people; and I am afraid they have temporarily sold it. The agreements are not reciprocal and do not operate in that way. The 1934 Trade Agreements Act is the basis upon which the State Department has adopted a selective free trade policy. It has lowered tariffs from approximately 45 percent of the value to less than 13 percent over a period of 15 years. The floor under wages has been lowered. Therefore, after the pressure of wartime holding prices up, is over, there is no restriction on imports from foreign soil, and, therefore, the workingmen and women of this country have their choice of lowering their standard of living or becoming unemployed. It is a well known fact that while the unemployment situation is being covered up by unemployment insurance and other means, there are more than 5,000,000 unemployed persons at the present time, and there are probably more than 10,000,000 partially unemployed persons.

I wish to call attention to the fact that the trade agreements which the State Department has been making over the last 14 years cannot on any basis of fact be of benefit to the United States, simply because we have no basis for making an effective trade treaty. We cannot make an effective trade treaty with a nation which manipulates its currency for trade advantage, and they all do, because after a trade treaty is made they simply devalue their currency, which lowers their costs, lowers their living standards, and then come under any trade treaty which may have been made prior to that date.

They also have the bilateral system of trade treaties, when we have the multilateral system. I point out to the President of the Senate that the article which I have just submitted, including a statement by the Senator from Georgia [Mr. GEORGE], called attention to the fact that his work is made more difficult by the fact that the Argentine-Britain trade treaty was a bilateral pact and provided that the oil and the various other products produced in Britain and elsewhere by her, using ECA money, by the way, are being traded to the Argentine for meats and other products there. That is a bilateral treaty. We do not benefit in any way from that treaty. The conditions under which such a treaty can be made by any foreign nation is included in our arrangements with them. So they cannot be blamed for the treaty; it is our fault for submitting to the conditions.

As a matter of fact, the making of such treaties has been going on ever since the war closed, and even during the war some of them were made, but 88 trade treaties have been made with Russia and the countries behind the iron curtain by the 16 nations making up the ECA countries, all sending produce and processed goods to Russia, all the way from locomotives to ball bearings, all kinds of high-grade steel. By the way, some jet engines were sent in 1947, which was acknowledged on this floor during the ECA debate.

It is impossible for the United States to win in the case of any such treaties, and we cannot prevent them. This has been established.

I point out that I debated this matter here before, beginning on March 30, and tied the three-phase free-trade program of the administration together. First, we make up the trade balance deficits of each nation in Europe in cash each year. Our chief export is cash.

Second, the 1934 Trade Agreements Act, upon which the State Department has adopted a selective free-trade policy, on the theory that the more they divide the markets of this Nation with the nations of the world the less their trade deficits will be.

Third, the International Trade Organization Act, which was supposed to be presented to the Senate as a treaty, requiring a two-thirds' vote for approval, has been changed and it has been presented to both the Senate and the House in the form of an agreement, and it will be before the Senate for a vote.

It might seem that tying these three together in one program is only my idea. I wish to read into the RECORD what Willard H. Thorpe, Assistant Secretary of State, said in his testimony before the House Ways and Means Committee on January 24 of this year. He stated:

1. The European recovery program (Marshall plan or ECA) extends immediate assistance on a short-term basis to put the European countries back on their feet.

That is where our chief export is cash.

2. The trade-agreements program is an integral part of our over-all program for economic recovery.

That is, the 1934 trade-agreements program, upon which the State Department has adopted a selective free-trade policy.

3. The International Trade Organization, upon which Congress will soon be asked to take favorable action, provides a long-term mechanism—each part of this program is important; each contributes to an effective and consistent whole.

Mr. President, what is the International Trade Organization? It is simply 58 nations with 58 votes. We have the same vote as Siam. To this organization we will transfer all right and authority to fix tariffs and import fees, and they will meet once each year to further divide our markets.

Mr. President, I refer to an article by Mr. Ray Moulden in the Journal of Commerce of New York of June 29, in which he says, in part:

ECA OFFICIALS BEGIN TO WONDER IF AID PLAN IN LONG RUN WILL NOT PROVE HARMFUL TO UNITED STATES

(By Ray Moulden)

WASHINGTON.—There is a great deal of soul-searching these days among the really able men concerned with the administration of the Marshall plan as to whether the billions of dollars being poured out to assist Europe will create conditions that do more harm than good—particularly to the United States.

This is known to be a primary source of worry to ECA Administrator Paul Hoffman, and there is evident reason for that concern, because one of the results is already out in the open.

That is the Anglo-Argentine trade agreement, which shuts off the United States as supplier of oil to Argentina and of meat to Britain for the next 5 years simply because—partially as result of the Marshall plan—neither has prospect of earning enough dollars from the United States to buy either item from us.

Walter Lippmann speaks for many administration thinkers when he says that the ECA as now conceived and operating (based on the idea of closing the dollar gap by 1952) will not restore world trade or bring about a prosperous economy of free nations. Instead, it forces such things as the British-Argentine agreement; the Yugoslavian-British pact of similar intent, economic isolationism, bilateralism and cutthroat competition between currency areas.

Another part of this dispatch quotes Mr. Walter Lippmann, who speaks for many administration thinkers:

Mr. Lippmann suggests no new solution; neither do others, except to say that ultimately we have to buy as well as sell abroad. One way of making it easier to buy British, for instance, is to devalue the pound sterling. And that we are trying to accomplish.

But already Congressmen are hearing more and more from constituents who fear competition from foreign sellers and want amendments to the Trade Agreements Act or rewritten agreements incorporating higher protective tariffs, and that clamor will increase if business continues to decline.

But Mr. Lippmann suggests no new slogan, neither do others, except to say that ultimately we may have to buy as well as sell abroad.

Mr. President, I wish to make a definite suggestion at this point which I have made before; in the flexible import fee bill which I introduced in the Senate last year and introduced again this year, and which I shall offer as a substitute for the 1934 Trade Agreements Act when it comes before the Senate, there is a definite method of fixing and establishing a market for the goods of every nation in the world on a definite basis. They can bring in their goods on a basis of our costs, which will keep our employment and our economy intact. I shall debate it at length when the 1934 Trade Agreements Act comes before the Senate. The flexible import fee would simply turn the Tariff Commission into a foreign trade authority, with full responsibility to fix import fees representing the differential of production cost between here and where our foreign competition is located, the peril point would become the tariff, giving each nation credit for any raise in living standards through a corresponding lowering of our import fee, and when they were living on our standard free trade would be the question of the result.

Mr. President, the problem of Sweden is increasing in importance. I shall read in part from a dispatch from the Wall Street Journal of today dated Stockholm, Sweden:

The Swedes are having an excruciating time making up their minds to devalue their money—the krona—in terms of the American dollar. Yet they agree it must be done.

At the present rate of exchange, most Swedish products are too high priced to sell in the United States, and without dollar earnings Sweden can't continue buying oil, machinery, chemicals, and other things it needs.

Officially the krona is now worth a shade less than 28 cents. In the black market here it goes for about three-fourths that much—around 20 cents. The big woodpulp exporters, with an anxious eye on the American market, are among those who would like to make this official. The figure most frequently mentioned in talk of revaluation, however, is a fraction under 24 cents.

The factors that cause Sweden to move slowly on devaluation are similar to those of other European countries which face the same problems.

Officials here fret about the relation of the krona to other European currencies. Swedish money, after all, is not overvalued in comparison with most of these, and such basic Swedish products as iron ore, steel, and electrical equipment are still selling briskly in Europe.

Mr. President, I interpolate here to say that all foreign money is overvalued. Everyone knows that the pound is worth only from $2.25 to $2.40; yet it has been held up, with our financial aid, to $4.03. In entering into the various trade pacts we have done so on the basis of the artificial value of the pound being $4.03. When the British get around to revaluing their currency, which they will do within 3 months after we extend the 1934 Trade Agreements Act, if the Senate sees fit to extend it, they will revalue their currency at a point 20 to 25 percent lower, making the pound worth not more than $3.25, and probably around $3, they will then bring their products into this country under the trade agreements previously made, without any competition whatever. That is, of course, Sweden's problem, because if they devalue their own currency, which they must do to increase their exports, and the British do not devalue theirs, then it hurts their European market.

I continue to read:

So the Government (Sweden) is toying with the idea of devaluing the krona only in terms of the dollar, holding it firm in relation to the British pound, the Polish zloty, the Belgian franc, and the rest of the European currencies.

In other words, they would devalue their money in terms of the dollar so that they could ship their goods into our markets under any trade agreements they had previously made, but hold it firm in connection with the moneys of other countries in Europe in order to protect themselves in the European market. It simply shows to what ridiculous lengths the present system will lead the nations of the world—every nation for itself—manipulating its currency for trade advantage until it all falls of its own weight.

I read again:

But the British, particularly, have indicated they would resent this. The move would set up "disorderly cross currents" in foreign exchange; that is, it would show up more vividly the overvaluation of the pound and make it more difficult for the British to maintain this artificial valuation. The Swedes must listen to the British, their leading trade partners.

So the strategy the Swedish Government has adopted is to promote a general devaluation of most European moneys in relation to the dollar. Its diplomats are arguing for this, quietly and informally, in all the capital cities and especially in Marshall-plan meeting rooms in Paris.

I simply want to point out that when the currency has been devalued by all the European countries, that every trade agreement made from 1934 to the present date will be outmoded and will be ineffective. The various countries will come in with their products, under any trade agreement they have previously made, without any restrictions at all. This illustrates perfectly the fallacy and futility of such trade agreements from our standpoint. We are bound by the agreement, but by the simple expedient of lowering their currency value they can bring unlimited quantities of their products into this country—thus moving more United States jobs to foreign soil.

Mr. President, I have in my hand a clipping from the New York Times of today, June 29. It is an article by James Reston, who is an internationally known special writer for the New York Times. The dispatch is dated at Washington and reads in part:

Secretary of the Treasury John W. Snyder will go to London soon for a series of conversations with Chancelor of the Exchequer Sir Stafford Cripps on Britain's dwindling dollar reserves.

It is understood that Secretary Snyder will review British financial and commercial policy with Sir Stafford in view of the critical situation that has arisen in London since the "readjustment" of prices here and the decline in Britain's exports to the dollar area.

Mr. Snyder will be accompanied by Assistant Secretary of the Treasury William McChesney Martin. These officials are expected to discuss the world economic situation not only with the Chancellor of the Exchequer but with the Finance Ministers of other members of the British commonwealth who are scheduled to meet in London next week.

The survival of the European Marshall Plan Council was regarded in Paris Tuesday night as imperiled by the British financial crisis and the Anglo-United States disputes—

Dispute, Mr. President—

over competitive trade. The problems will be discussed again Wednesday.

I wish simply to point out that with all of the help, starting back in UNRRA days, lend-lease, underwriting the British Commonwealth to the tune of 3¾ billion dollars, and since that date pledging $17,000,000 to Europe, with England getting about one-quarter to one-third of all the money—that these financial crises arrive regularly, and never to our benefit. In other words, I found on my visit to Europe in 1947 and my visit to Asia in 1948, that almost every country in the world is living over its head, expecting the United States to bail them out before the crash comes. In other words, unless the dollars are forthcoming, which the current president or kind or chancellor or whoever he may be who has run for office on a promise to do things for the country, which he cannot do, through the production in his own country, unless we make up the difference through what is called the dollar shortage, then the crises comes. So far we have picked up the check—without any supervision or safeguards whatever.

Mr. President, I want to point out that I have just completed a trip across the country. I had an opportunity to observe conditions in several States of our own United States. I say there are more than 5,000,000 unemployed today, and there are more than 10,000,000 partially unemployed. I say that it is my earnest opinion that we cannot collect from the taxpayers the amount of money the Congress is about to appropriate this year, forty-three billion or forty-four billion dollars. It is my opinion that that amount of money cannot be collected from the taxpayers of this country this year or next year or the year after. Unless we reverse the trend of free trade we will never collect that much in the United States again. As the senior Senator from Georgia said, that if we increase the taxes we might even get less money, because the law

of diminishing returns, with which we are all familiar, might take over.

Mr. President, we hear a great deal of talk about austerity living. We have heard it now for 3 or 4 years following World War II, in connection with England and now other countries are echoing the word. Sweden is now complaining of austerity living.

As I said a moment ago, I had an opportunity to visit with some of our countrymen on my recent trip through the United States and I have been in very close touch with our working people since I came to the Senate. There is a complete and rigid austerity program in America today, with about 60 percent of our people having a tough time keeping their children in school and paying their taxes. When we speak of austerity, we must not forget that we have it right here in the United States, but since our people are slow to complain we do not fully realize how tough the going is. But we have allowed such foreign nation talk to affect our actions here on the floor of the United States Senate to such an extent that we believe them each time when they say that another large appropriation will cure everything—without realizing that any money we give them must first be squeezed from our American taxpayers. However, it is just about to catch up with Uncle Sam at this time and it is not clear just where we can secure any financial help. We in America have no one to complain to.

I want to read a short excerpt from a dispatch just received, as follows:

It is no secret that British exporters are at present selling many articles to hard-currency countries at prices that are below those they get in soft-currency areas. They do so under Government pressure or because they are offered special incentives.

Mr. Harold Wilson, president of (the British) Board of Trade made it perfectly clear how Britain is to remain competitive in the Western Hemisphere. "We shall give every help and where necessary even favoritism tc (their own) exporters to Canada and the United States of America in their productive difficulties."

Mr. President, what does that mean? It simply means, as I said a while ago, that certain governments enter into the businesses of their country in order to undersell the market in other countries, including our own. In other words, they sell under their costs, as is done in a gas war here in the United States, to run their competitors out of the market. Then what happens? After they have frozen out the local competitors, and our people are unemployed, and we have become completely dependent on the foreign nation for the product, then the price of the product goes up again. It is a very simple method and works very well unless the country affected has gumption enough to stop it. The flexible import fee bill which I will offer as a substitute for the 1934 Trade Agreements Act will stop it.

Mr. President, I want to quote briefly from a dispatch published in the Journal of Commerce of New York, dated today, by Thomas O. Waage. He says in part:

Each successive "crisis" in sterling brings devaluation one step nearer but basic economic factors currently do not indicate that revaluation would now result in a clear net gain for Britain.

This is a little propaganda.

This is the consensus expressed yesterday by a number of close students of the British economic situation.

Mr. Waage continues:

The official British stand stresses the point that while devaluation temporarily would reduce prices of British goods in many export markets, it would not solve their problem. A lower sterling quotation would result in higher sterling prices for many imported commodities and hence add to production costs offsetting the fillip to exports that devaluation might bring initially.

Mr. President, I wish to point out the fallacy of that argument: When Britain devalues the pound, the raw materials she buys which go into her exports represent a very small part of the total cost of her exports. Labor is by far the greatest cost entering into products for export. Therefore when Britain devalues the pound 20 or 25 percent, at least 15 or 20 percent, or three-fourths of the devaluation representing labor, is in competition with our own workingmen.

The article continues:

The American and specifically Economic Cooperation Administration pressure to devalue the pound naturally exercises a powerful influence.

In other words, we have Mr. Hoffman putting on the pressure to devalue the pound, to undersell our own products in our own country and transfer American jobs to foreign soil, to the 16 Marshall-plan nations.

Several European countries favor early devaluation of the pound. Sweden, for example, would like to have the crown cheapened vis-à-vis the dollar. In the event Britain lowers the value of the pound, the kronor reportedly would be reduced commensurately to retain the present relationship with sterling.

The Netherlands also reportedly would find her Benelux Union problems eased if Britain were to revalue and the guilder devalued at the same time.

Sterling area opinion, one observer noted yesterday, may prove an influential force in bringing about sterling devaluation. Attention is called to the meeting of the Dominion finance ministers scheduled for July 8, at which time the whole question could be thrashed out.

The United Kingdom, it is explained, normally has an import surplus in her trade with the world.

British officials have taken the stand that any stimulus to exports from devaluation might well be temporary, or at least very limited because Britain would have to pay more in pounds for her imports.

Reading further in the dispatch:

Another point to be considered, however, is that many nations in the sterling area have large export surpluses in their trade. Prices of their major export products in many instances already have declined materially or a drop is threatened.

The entire plan is ultimately for all European nations to devalue their currencies almost immediately following congressional action on the proposal for the 3-year extension of the 1934 Trade Agreements Act, in order to nullify all trade agreements which we have made with them under the act up to this date—so they can export their products freely to this country.

A lower value for sterling which would be followed or accompanied by devaluation of many or possibly all sterling-area currencies might be strongly backed by governments of some sterling-area countries, because the latter would expect this to improve the marketability of many of their export commodities.

In closing, I call attention to the fact that Mr. Hoffman, the Administrator of the ECA, has urged that the 16 European Marshall-plan countries, ECA countries, or whatever designation one chooses to use, would increase their exports to the United States by 65 percent. I call attention to the effect of such an action on the employment in this country—it is simply moving more American jobs to foreign soil. When they devalue their currencies and increase their exports to the United States by 65 percent, then American workmen have a choice of lowering materially their wage-living standard or joining the unemployed. There is no other answer to it. It is simply lowering the floor under wages. The subject will be fully debated on this floor when the 1934 Trade Agreements Act comes before the Senate for an extension of 3 years. If it is extended, if we are not able to reverse the trend by the adoption of the flexible import fee system as a substitute, then the depression, which is now called a "recession," and which the President's economists insist will be over soon, will develop into one of the greatest depressions this Nation has ever known.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. DONNELL. I ask the Senator whether or not in his judgment the various foreign nations are looking after their own interests, even though those interests may on occasion conflict with those of our own Nation.

Mr. MALONE. There is no doubt whatever about that. I think the Senator will recall the initial debate on the Marshall plan, in March 1947, when all this material came out. At that moment Great Britain had made a trade treaty with Russia, which is available for review in the 1947 RECORD, to ship Russia almost every kind of fabricated material, including tool steel, highly tempered steel, ball bearings, and even 1,100 locomotives, all of which is war material. At that time, both Mr. Wilson, president of the Board of Trade, and Mr. Bevin, both of England, said that they wanted to be neutral. They wanted to be the "bridgehead" between the Communist Government of Russia and the capitalist Government of the United States. In other words, they indicated that they wanted to furnish goods and materials to both sides in the event of another world war.

When we get into the next war they would furnish war materials to both sides.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. MALONE. I yield.

Mr. DONNELL. The Senator is familiar, of course, with the fact that

among the signers of the proposed North Atlantic Treaty is the United Kingdom.

Mr. MALONE. I am fully familiar with that fact.

Mr. DONNELL. I invite the Senator's attention to the article with which I know he is closely familiar, namely, article 2, included in which is this language, referring to the signatories to the treaty:

They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

The Senator recalls that portion of the proposed instrument, does he not?

Mr. MALONE. Yes; I am fully familiar with it.

Mr. DONNELL. I ask the Senator if he recalls that this document was actually signed by the representatives of the various countries, including the representative of the United Kingdom, in Washington on the 4th day of April of this year. The Senator recalls that incident, does he not?

Mr. MALONE. Yes; I recall it very vividly.

Mr. DONNELL. I ask the Senator whether or not he has observed in the press within the past few hours the account of the treaty entered into between Great Britain and Argentina?

Mr. MALONE. I will say to the Senator from Missouri that I have just submitted for the RECORD—and it will appear in the RECORD as a part of my remarks—a dispatch from the Washington Star of yesterday, outlining what the Senior Senator from Georgia [Mr. GEORGE] said in that connection. He stated that if this sort of thing continued it might inconvenience him in arguing for a further extension of the 1934 Trade Agreements Act. Of course it will continue. Other countries throughout the world have such treaties under consideration. An example is the treaty between Czechoslovakia and England, and the 88 trade treaties made with Russia and her satellites by the 16 ECA nations, to which I have previously referred, where we are arming Russia for a third world war through shipping the necessary raw materials and funds to these countries—where they are processed and manufactured and sent on into these areas—it is simply a manufacturing in transit rate.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. MALONE. I yield.

Mr. DONNELL. I hold in my hand a copy of a portion of the Evening Star of Washington of Tuesday, June 28. Possibly this is the same article the Senator was offering for the RECORD. The article is entitled "British-Argentine Pact Hits Reciprocal Trade Policy, Senators Say." It is an Associated Press dispatch.

Mr. MALONE. Yes. I will say to the distinguished Senator from Missouri that that is included at the beginning of my brief remarks.

Mr. DONNELL. I invite especial attention to the opening sentence, which reads:

Senators today describe the British-Argentine trade pact signed yesterday as a heavy blow to this country's reciprocal trade policy.

Mr. MALONE. Yes. The senior Senator from Georgia [Mr. GEORGE] said that.

Mr. DONNELL. I ask the Senator if he has any further comment to make than he has already made with respect to the signature by the various signatories on April 4 to the proposed Atlantic Treaty, in which they agree that—

They will seek to eliminate conflict in their international and economic policies and will encourage economic collaboration between any and all of them.

That document was signed by the United Kingdom, among others. Is there any comment which the Senator thinks appropriate at this time in addition to what he has already said with respect to the British-Argentina trade pact signed day before yesterday by one of the signatories to the North Atlantic Treaty?

Mr. MALONE. I will say to the distinguished Senator from Missouri that it not only conflicts with the trade agreements and arrangements now being made with other nations, but they are openly advocating, as I quoted from a dispatch received today, the continuation of such a policy, even indicating that they will go in as a government and help their own business firms to undersell the markets elsewhere, including our own markets—thus displacing more American jobs.

Let me quote briefly from the nonaggression pact made by Britain with Russia during World War II. It is a 20-year pact. It is still in force, and the only way they can get out of it is at the expiration of the 20-year period, and then it requires 12 months' notice. I quote briefly from article 7 of the nonaggression pact between England and Russia, where it says:

Each high contracting party undertakes not to conclude any alliance and not to take any part in any coalition directed against the other high contracting party.

In the case of Britain, that would mean Russia. The North Atlantic Pact, from which the distinguished Senator from Missouri has quoted, is in direct conflict with their nonaggression pact with Russia. In other words, they have signed a pact with each of us, with Russia and the United States. They are not likely to lose, because in case of any trouble, they have signed with both. France has the same kind of compact with Russia, and is also in direct violation with the Atlantic Pact.

Again referring to the pact between England and Russia, wherein it says that the high contracting parties agree to render one another all possible economic assistance after the war.

I am referring to the 20-year pact, from which they can only be released by giving 12 months' notice after the expiration of the 20-year period, and no effort has yet been made to cancel this obligation to Russia.

Mr. DONNELL. The Senator from Nevada is speaking of the pact between France and Russia; is he not?

Mr. MALONE. Yes, the pact between France and Russia, is practically the same in its wording, as the pact between England and Russia. Molotov signed both pacts, for Russia. In Article 5 of the pact between France and Russia, the agreement says that the high contracting parties undertake not to conclude any alliance and not to take part in any coalition directed against either of the high contracting parties.

Article 5 of the French-Russian pact corresponds almost exactly with article 7 of the British-Russian pact.

Then in article 6 of the French-Russian pact we find the statement that the high contracting parties agree to render each other every possible economic assistance after the war with a view to facilitating and accelerating the reconstruction of both countries.

I call the attention to the distinguished Senator from Missouri to the fact that that is exactly the kind of agreement that they now have signed with us under the North Atlantic Pact. Is not that true?

Mr. DONNELL. I would say that certainly the North Atlantic Pact is one in which it is distinctly agreed that the parties "will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them;" and the signers of the North Atlantic Pact include both France and the United Kingdom, but of course do not include Russia.

Mr. MALONE. But they have previously agreed to do the same thing with Russia.

Mr. DONNELL. I appreciate the point made by the Senator from Nevada.

Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Nevada yield to the Senator from Missouri?

Mr. MALONE. I am glad to yield.

Mr. DONNELL. I wish to refer to the dispatch by the Associated Press, appearing in the Washington Star for yesterday. After referring to a statement by certain Senators that the British-Argentine trade pact is "a heavy blow to this country's political trade policy," the dispatch says:

Publicly and privately, they—

The Senators referred to—

accused Britain of following a policy which tends to choke off the free world trade sought by the United States.

I ask the Senator this question: Assuming the correctness of that observation by the Senators referred to, as recited in the dispatch by the Associated Press, does the Senator from Nevada consider the British-Argentine trade pact in harmony or not in harmony with the contract in the proposed North Atlantic Pact by which the signatories say that—

They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

Does the Senator consider the British-Argentine pact, as described in the article in the Star, if the Senators there referred to are correctly quoted, as in harmony or as not in harmony with the proposed North Atlantic Pact which the Senate is asked to ratify soon?

Mr. MALONE. Not only do I consider the British-Argentine Trade Pact contrary to the provisions of the North Atlantic Pact, but I also consider it contrary to and contradictory to all the conditions agreed to as a prelude to the trade agreements made under the 1934 Trade Agreements Act. I consider their actions in this matter and their bilateral treaties to be absolutely contradictory to everything which has been explained to us as the objectives of such pacts and trade treaties by the State Department and by the President of the United States.

Therefore, I say to the Senator from Missouri that to my mind it is unbelievable that the Senate of the United States would consider for a moment extending the 1934 Trade Agreements Act, which is nothing more or less than a platform on which the State Department has erected a selective free trade policy.

Not only that, but now, after a year's trial of the Marshall plan or ECA aid, under which we were—according to the President and the State Department—to develop foreign markets for our workingmen and industries, we now have coming along the great "bold new program" to guarantee our own businessmen and industrialists against confiscation and socialization of their investments in foreign countries all over the world. Under this program not only will the markets which were described so vividly by the supporters of the first Marshall Plan be supplied by them, but through the "free trade" program instigated by the State Department under the 1934 Trade Agreements Act, the products of their foreign factories, constructed by the investments which will be guaranteed by the American taxpayers, products manfactured with low cost European and Asiatic labor, will be shipped directly into the United States, with the result that more and more American jobs will be transferred to foreign soil. It is just as simple as that—use American taxpayers money to transfer American jobs to foreign soil—this is the greatest hoax ever perpetrated upon the workingmen of this Nation. It is incredible.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. DONNELL. Doubtless the Senator recalls that the Secretary of State in his testimony before the Foreign Relations Committee strongly advocated our adherence to the North Atlantic Pact. Does the Senator recall that?

Mr. MALONE. I do recall it.

Mr. DONNELL. In view of that, I ask the Senator whether he notes with some apprehension and concern the fact that in the Associated Press dispatch appearing in the Washington Star it is stated that—

The pact—

That is, the British-Argentine Pact—

binding Britain and Argentina to do most of their trading with each other over the next 5 years was signed in Buenos Aires.

"SERIOUS SITUATION" SEEN

The State Department—

And I call the Senator's attention to the fact that the reference is to the United States State Department, the one which has urged the ratification of the North Atlantic Pact—

which had vigorously objected to such a deal, made the best of it yesterday and issued a toned-down statement expressing gratification that "substantially more flexibility" had been written into the agreement.

In view of the statement by the State Department, on the one hand, advocating that the Senate ratify the North Atlantic Pact, in which the signatories, including the United Kingdom, agree to "seek to eliminate conflict in their international economic policies" and to "encourage economic collaboration between any or all of them," and the present vigorous objection by the same State Department to a pact which, pending the ratification of the North Atlantic Pact, has been entered into between Great Britain and Argentina, does the Senator have any apprehension in his own mind with respect to the North Atlantic Treaty?

Mr. MALONE. Mr. President, I may say to the Senator from Missouri, I not only have apprehension; I think it will sink the United States markets without a trace, and American jobs will be transferred to foreign soil through the three phrase "free trade" program of the State Department. In other words, beginning in March 1947, at the time of the initial debate on the Marshall plan, England had made one of the first trade treaties with Russia in direct violation of her understanding with us. It was made in direct violation of all understandings we were supposed to have had under the 1934 Trade Agreements Act, and under pending cooperative treaties. Britain made the trade treaty with Russia before the initial Marshall plan was passed. I put the trade treaty in the CONGRESSIONAL RECORD at that time, during the course of the debate, and the items to be sent to Russia included "1,100 narrowgage 750-millimeter locomotives; 2,400 flat trucks, 750-millimeter."

We call the latter item "freight cars" in this country.

Mr. DONNELL. Mr. President, if the Senator will pardon me, he is quoting from what?

Mr. MALONE. From the trade treaty made between Great Britain and Russia before we enacted the initial legislation connected with the Marshall plan.

Mr. DONNELL. That treaty is still in effect, is it?

Mr. MALONE. That treaty is still in effect. It was the first of the 88 trade treaties that I quoted on the floor of the Senate, when the action on the second installment of this year's ECA was taken, showing that 16 OEEC countries of eastern Europe had entered into 88 trade treaties with Russia and with countries behind the iron curtain. I submitted four of them for the record. The Public Printer begged off and did not publish the entire 44 trade treaties submitted to him, but did publish 4 of them; 41 of the trade treaties were "restricted" and 3 were highly confidential.

I say again at this point to the Senator from Missouri that any bilateral treaty made is in violation of the spirit of the 1934 Trade Agreements Act, or of the North Atlantic Pact, and should be public property. They should be published by the Public Printer and made available, not only to the Senate of the United States but to every human being in the United States—the whole 150,000,000 of us.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. MALONE. I am happy to yield.

Mr. DONNELL. Is not the importance of such publication, or at least the making available to the public of these treaties, emphasized by the fact that article 8 of the North Atlantic treaty reads:

Each party declares that none of the international engagements now in force between it and any other of the parties or any third state is in conflict with the provisions of this treaty, and undertakes not to enter into any international engagement in conflict with this treaty.

Does not the very existence of that provision of the proposed North Atlantic treaty make it all the more important that they should be fully open for the public and the Senate to know what is in these other international engagements, in force at this time, between signatories to the North Atlantic treaty and other nations?

Mr. MALONE. Mr. President, I may say to the distinguished Senator from Missouri that that is a double clincher, that every action between the 16 Marshall-plan countries that are dependent upon us for the balancing of their budgets—that is what we are doing—making up their trade balances or deficits each year in cash, should be a public record. It is just like sending a boy to school and allowing him $100 a month, and he spends $150. The father merely picks up the check. We all have a dollar shortage if we spend more than we earn or produce. Both England and France have signed nonaggression pacts with Russia, containing practically the same kind of provisions and pledges which they have made with us in the North Atlantic Pact. They have made trade treaties. All of them have made trade treaties with Russia and the countries behind the iron curtain, in direct violation of the spirit of the contracts and agreements they have made with us. So I say to the distinguished Senator from Missouri, I just do not see how any Senator on this floor can consider extending the 1934 Trade Agreements Act in the face of such continual violations—and knowing the effect of the three-phase "free trade" program adopted by the State Department under the act.

Senators know that when tariffs or import fees are lowered to the point where they are below the differential of cost of production between this country and where the foreign competition is located, that the result on the standard of living can only be to substantially lower it. The working men of America then have a choice of lowering their wage-standard of living to make up for it, or they can become unemployed; there is no other alternative and no other choice. The copper miners of America today are unemployed, unless they want to cut their wages about $10 a day, to about $4 a day, in which case they could keep on

working but they could not keep their children in school, and they could not pay their taxes; they could not buy radios and they could not buy enough food. But if they want to work for $4 a day, they can keep the mines open. If they do not want to work for $4 or $5 a day, they can have mass unemployment. It is just as simple as that.

Every action of these countries, every move they make, is exactly contrary to the agreements they make with us.

Mr. DONNELL. Mr. President, will the Senator yield for a final question?

Mr. MALONE. I am very glad to yield.

Mr. DONNELL. The Senator referred to having something inserted in the RECORD. I hand him an article from the Evening Star, and ask if that is the one the Senator placed in the RECORD. If so, I shall not do so. If it is not the same one, I should like to have it printed in the RECORD in full.

Mr. MALONE. Yes; it is the same article.

Mr. DONNELL. I thank the Senator.

EXTENSION OF AUTHORITY RESPECTING TIN UNDER SECOND DECONTROL ACT

Mr. MAYBANK. Mr. President, I ask unanimous consent for the present consideration of House bill 5044, Order 549 on the calendar, which was discussed yesterday.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H. R. 5044) to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I ask the Senator from South Carolina whether the differences with the Senator from Nebraska and the Senator from Pennsylvania have now been straightened out?

Mr. MAYBANK. I may say to the Senator from Massachusetts that the Senator from Nebraska and myself had a short conference. I also had a short conference with the Senator from Pennsylvania. So far as I know, I believe it is all right.

Mr. SALTONSTALL. I have no objection.

Mr. BUTLER. Mr. President, I objected to the consideration of this bill yesterday, because of some complaint I have had from industries located in the State of Nebraska. The largest single broom-manufacturing plant in the country happens to be located in Nebraska. There are about 1,300 or 1,400 broom-manufacturing plants in the Nation. They use a rather nominal amount of wire in the manufacture of brooms. It is very necessary for them to have what may be called tinned wire if the brooms are to be kept in storage for any length of time, otherwise the wire will rust, and it destroys the merchandise or injures it to a certain extent. During the war we all had to put up with rules, regulations, allocations, and things of that kind, and I think the Nation is perfectly willing to continue any of those rules which may be necessary, even though we are through the shooting part of the war. Personally I do not think the allocation of tin should be continued at all. Even though the entire broom industry in the United States uses only 30 tons of tin, they have had difficulty getting it, despite the fact that there has been a surplus of tin available in the world now for 2 years, and there is an increasing amount of tin production over the requirements predicted for the years ahead.

I visited today those in charge of the administration of the law, and they tell me they are quite confident that their program calls for a gradual tapering off of controls, and that even before the law will expire, if extended another year, they think they will be giving up all rights of allocation and will be dropping the program.

With that understanding, I have deemed it wise for the manufacturers in the broom industry to try to cooperate with the Government agency for another season. Therefore I am withdrawing the objection which I filed yesterday.

I should like to insert in the RECORD at this point a statement on the subject which appears today in the Wall Street Journal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRICE ON TIN—UNITED STATES MAY AGREE TO LET IT STAY HIGH DESPITE RISING WORLD OUTPUT—WOULD HELP BOLIVIA, BRITAIN, EAST INDIES; UNITED STATES TAXPAYER WOULD FOOT THE BILL—26,000,000,000 TIN CANS YEARLY

WASHINGTON.—The American housewife is going to continue subsidizing Bolivia, the Dutch East Indies, and the British Empire when she buys a can of tomatoes. Or a can of soup. Or a can of beans.

The prospect is tied to tin. The United States, which is the world's biggest tin user, mines none itself. But it is considering joining a new world agreement that may keep tin's price not far from the present $1.03 a pound—despite soaring world output and sagging demand. The prewar 1939 price averaged around 50 cents.

Top global producers of tin are Britain's Malaya, the East Indies, and Bolivia. United States State Department officials willing to see tin's price stay high base their attitude on the thought that the British need the help. It's also considered good neighborly toward Bolivia.

THE BILL PAYERS

The United States consumers who use annually about 64,000 long tons of new tin (excluding that recovered from scrap) will foot the bill. Half of this tin goes into some 26,000,000,000 cans yearly. Some 17,000 tons yearly goes into solder. Much goes into bearings.

Private industry has no control over the metal's price. All tin is bought by the Government through its Reconstruction Finance Corporation. It is distributed by the Commerce Department.

If left to private supply-and-demand buying, say metal men, tin's price would likely tumble—like other nonferrous metals. Big output and declining demand this year has cut the price of lead from 21½ cents a pound to 12 cents. It has cut copper from 23½ cents to 16 cents, and zinc from 17½ cents to 9 cents.

OUTPUT RISING FAST

World tin output is rising fast. Last year it was around 152,000 long tons. It is expected to jump to 170,000 tons this year—with world-wide demand for only 138,000 tons. The 1950 output is expected to reach 190,000 tons, and 1951 production is estimated at 205,000 tons. Commercial consumption in 1951 is expected to be around 162,000 tons—or 43,000 tons less than supply. These are estimates of the international tin study group, a body representing 14 tin producing and consuming countries, including the United States.

The pattern of present world tin prices is set by the British, the biggest producers. What the United States pays for tin in Bolivia, for example, follows the pace set by what Britain pays her producers in Malaya.

The United States gets tin from all the big producers. Last year she imported 34,000 tons from Malaya, 20,000 tons from Bolivia, over 13,000 tons from the Dutch East Indies—as well as thousands of tons more from minor producers.

The current British-Malayan contract is expiring the end of this month, and a new one is being negotiated. What the new price will be hinges partly on how stiff-backed United States authorities are in demanding reductions.

A LOT TO PAY

Officials here agree $1.03 is a lot to pay for a pound of metal, especially when indications point to a probable surplus. But they do not think any sizable reduction will come this year.

Some authorities estimate the cost might drop a maximum of 10 percent to around 93 cents a pound. Others guess the price will be closer to $1 a pound. A few are betting on no change at all.

Up to now officials have shown little inclination to slash at the British tin price monopoly by "free market" means—that is by holding off United States purchases until the price drops. They are not using strong indirect pressure, either, such as a threat to withhold Marshall plan aid unless prices are cut. Rather, the United States is taking part in drafting a new international tin plan to control world output and, indirectly, prices.

This scheme is now being worked out under the auspices of the international tin study group. The study group, after meeting in London last week, assigned experts to draft a control agreement and report it, if possible, by next September 30.

The new arrangement would supersede the producers' "cartel" that largely controlled prices (by controlling production) before the war. It would differ from the "cartel" in that tin consumers as well as producers would have some voice in the controls.

RFC ONLY BUYER

The Federal Government has controlled tin since early in the war, when the Reconstruction Finance Corporation became the sole buyer of the metal for use in this country. The RFC buys not only all the tin consumed by American industry, but also that turned over to the Munitions Board for stock piling. In the last 12 months, RFC has paid out some $180,000,000 for tin.

The Government handles distribution of tin through its allocation powers, under which the Commerce Department parcels out all United States tin supplies to the country's users. This is intended to assure fair distribution and keep stock pilers from bidding against industry for available stocks. Congress is now considering a bill to extend the Government's tin allocation powers another year to June 30, 1950.

State Department reluctance to press for lower tin prices is linked to foreign aid. While direct ECA financing of tin has been less than $2,000,000 to date, the diplomats contend that the dollars paid for tin indirectly help support the economy of the producing countries. Of the Marshall-plan nations, Great Britain gets the most benefit from high tin prices.

POLITICAL REPERCUSSIONS FEARED

State Department aides also point to the good-neighbor country of Bolivia, whose economy is closely geared to the tin industry. They contend that Bolivia's high production costs can't take much of a tin price cut without serious political results. For an example, they point out that recent disturbances at the Patino mines were partly caused by labor demands for higher wages.

Some stock pilers are also fearful of pressing too hard for a price slash.

These officials contend that a drop in prices would lead to a slump in output. They reason: World tin production has nearly doubled since the end of the war because the high price is a strong incentive to producers. Cut this price sharply and there will be less tin for the stock pile.

One Government buyer argues: "If we stopped our purchases tomorrow the price of tin might fall to 75 cents. But in a short time there wouldn't be any left for us to buy.

SURFACE PRODUCTION

He explains that much of the Malayan production is alluvial, or on the surface, rather than in deep mines. This allows producers to suspend operations when they don't think prices are high enough, without incurring heavy expenses in keeping up equipment.

The producing countries themselves, of course, are quick to argue that tin prices should be kept at least at the $1.03 level, perhaps raised a bit. A Bolivian diplomat says that in addition to labor demands for higher pay, producers in his country aren't yet benefiting from price drops of mining equipment purchased in the United States. Producers are still paying for American machinery contracted for prior to the recent price declines in this country, he says.

A British expert contends Far Eastern producers are being pinched by rising labor and equipment costs, as well as the threat of Communist advances in that part of the world. The price incentive is needed to keep output from sagging there, he asserts.

Nevertheless, many Washington authorities think the United States should hold out for at least a 10-percent cut in tin's price. They're faced with declining use of the metal in this country. Latest official figures show American industry used about 12.5 percent less tin in the first 1949 quarter than in the preceding quarter.

Mr. MARTIN. Mr. President, I objected to the consideration of the bill because it affects a number of small industries in Pennsylvania; but I want to cooperate with the Department in every possible way. For that reason I am withdrawing my objection. I should like, however, to impress upon the Senate and upon the Department involved that controls of this kind are making it very difficult to secure materials for the operation of plants. That is another reason for unemployment. Large concerns in the United States are able to come to the Department and procure the things they desire. The smaller industries are unable to do so.

With that statement, Mr. President, I withdraw my objection.

Mr. MAYBANK. Mr. President, I should like to say to the distinguished Senator from Pennsylvania and the distinguished Senator from Nebraska that I am in thorough accord with their ideas regarding the control of any product. I want to assure them of the cooperation of the Banking and Currency Committee in connection with any legislation considered by the Small Business Subcommittee. I appreciate the action of the Senators. My principal interest is because of the situation which exists in Bolivia and which perhaps may become even worse than it is at this time.

Mr. MARTIN. Mr. President, I express my very sincere appreciation of the attitude of the chairman of the Banking and Currency Committee. He has already been very helpful in the matter.

Mr. BRICKER. Mr. President, reserving the right to object, I should like to ask a question of the chairman of the Banking and Currency Committee because I am not fully informed, other than the information I have gained from the testimony on the subject last year, my knowledge of the Government plant in Texas, and the actual sources of supply. Will it be necessary to continue for at least a year the tin program?

Mr. MAYBANK. With the understanding that the program is to be liquidated, according to Mr. Sawyer, as rapidly as possible.

Mr. BRICKER. Even within a year's time?

Mr. MAYBANK. That is correct.

Mr. BRICKER. During the past year, with reference to the matter of increasing allocations for some of the industries in my State, the RFC has been very cooperative. I have read the article which the Senator from Nebraska put into the RECORD a moment ago, which indicates that there may be an effort to maintain high prices, that the prices will be held to approximately $1.03 a pound, and that there is a subsidy to the foreign producers of tin. I think our supply is secured mainly from Bolivia at the present time. That is an indication that the taxpayer and the user of tin will be compelled to pay a higher price because of this arrangement.

I should like to have an explanation, if the Senator has read the article or if he has read an analysis of the testimony in relation to the facts set forth i the article. If not, I should like to ask that the matter go over until tomorrow until he may have time to analyze the facts and give us his opinion.

Mr. MAYBANK. I have asked unanimous consent for the immediate consideration of the bill. I hope the Senator will not insist on waiting until tomorrow.

Mr. BRICKER. Has the Senator seen the article?

Mr. MAYBANK. I have not. There is an investigation going on in connection with the stock piling of materials by the Army and the Navy. It has been ascertained that every advantage will be taken of any price slump.

Mr. BRICKER. There is at this time an oversupply of tin in the world. Production has been increased to the point, according to the article, at which there is a surplus supply in the world, and the amount available to this country is being held down. The Government is concurring in that program in an effort to hold the price up around $1.03.

Mr. MAYBANK. I do not think the Government would try to hold up the price. I think there is a reasonable supply of tin today. The Army and Navy are making a thorough investigation and are endeavoring to get prices down. I might say that some of the articles which are being stock-piled have gone down in price from 10 to 20 percent in many instances. I do not think it is the intention of the Government to hold up the price. I myself would want no part in such a program.

Mr. BRICKER. I wondered if the testimony went into that question.

Mr. MAYBANK. As I remember, the testimony was based upon Secretary Sawyer's letter and the absolute necessity of controlling tin so that the Army and the Navy might stock pile it. The testimony before the Appropriations Committee goes more thoroughly into the matter in connection with the second deficiency bill.

I think the Senator will recall that there was testimony in regard to all stock piling of materials which are rather critical.

Mr. BRICKER. Is it the opinion of the chairman of the committee that the bill will not result in holding up the price, but that the Government, the Department of Commerce particularly, through the RFC, or the RFC acting independently, will attempt to bring the price down to a world-market basis?

Mr. MAYBANK. That is my wish, and I know it is the wish of Secretary Sawyer. I am certain that question will be asked before money is appropriated.

Mr. BRICKER. With that assurance from the chairman of the committee, I shall not object to the immediate consideration of the bill.

Mr. BUTLER. Mr. President, I should like to invite the attention of the chairman of the Banking and Currency Committee to one or two items appearing in the article which has been inserted in the RECORD. The article begins with the following statement:

The American housewife is going to continue subsidizing Bolivia, the Dutch East Indies, and the British Empire when she buys a can of tomatoes. Or a can of soup. Or a can of beans.

It is an interesting article all the way through.

Here is another paragraph:

If left to private supply and demand buying, say metal men, tin's price would likely tumble—like other nonferrous metals. Big output and declining demand this year has cut the price of lead from 21½ cents a pound to 12 cents. It has cut copper from 23½ cents to 16 cents, and zinc from 17½ to 9 cents.

Of course the producers of those articles are not enjoying the game very much, but consumers in the United States, especially the consumers of copper and copper products, are getting some benefit from it.

Mr. MAYBANK. I am in thorough accord with the Senator from Nebraska. I asked question after question in executive sessions of the committee in regard to stock piling critical materials, and in open session on the first and second deficiency bills, to make certain of making a saving to the taxpayers.

Mr. BUTLER. If we are ever going to reach a point at which we can begin to reduce the number of Government employees, we must take advantage of opportunities such as this. I do not

know how many persons are employed in connection with this one item.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. BRICKER. Is it the Senator's judgment that under the program, as outlined by the Department of Commerce, looking toward liquidation, there will be an available surplus of tin in the world market at an early date?

Mr. MAYBANK. Provided the Bolivian situation clears up.

Mr. BRICKER. Is it the opinion of the Senator that there will be no trouble about allocations in the bottling industry, and other businesses?

Mr. MAYBANK. I believe that Secretary of Commerce Sawyer will cooperate in every way possible to help small business. He has told me he would. I did not ask him about the particular question the Senator from Ohio raised, but about the other allocations. As the Senator knows, the Secretary has been reasonable in doing away with allocations.

Mr. BRICKER. That is true, and the RFC has been reasonably satisfactory and fair in the allocations heretofore made, so far as I am concerned.

Mr. LUCAS. Mr. President, the Senator from Ohio raised a very important question just now. In a letter addressed to the Senator from South Carolina, which was called to my attention just now, the Secretary of Commerce, among other things, says this:

> If these powers are granted, it would be my intention to use them only while serious stoppages of production affected our national security and the stock-pile objectives. Controls would be removed as soon after such interruption had ended as this could be done without undue interference with the operations of the industry.

Mr. BRICKER. I thank the Senator from Illinois.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5044) to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes.

Mr. LUCAS. Mr. President, before the vote is taken on the bill I wish to take this opportunity of thanking Senators on the other side of the aisle who have raised these very important questions, for agreeing not to interpose any objection, and letting the bill go through. I assure them that, so far as I am concerned, I am as anxious as any one else can be to see the controls removed as fast as possible, and I will cooperate with the Senators on the other side in discussing this matter at any time with the Secretary of Commerce, if it comes to the point where they believe something should be done.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

EXTENSION OF IMPORT CONTROLS ON FATS AND OILS

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 591, House bill 5240, to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils—including butter, and rice and rice products.

The PRESIDING OFFICER. Is there objection?

Mr. SALTONSTALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Maybank
Baldwin	Holland	Millikin
Brewster	Ives	Mundt
Bricker	Jenner	Neely
Butler	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Reed
Capehart	Kefauver	Robertson
Chapman	Kerr	Saltonstall
Chavez	Kilgore	Schoeppel
Donnell	Lodge	Smith, Maine
Douglas	Long	Stennis
Ferguson	Lucas	Taft
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
George	McClellan	Watkins
Gillette	McFarland	Wherry
Green	McKellar	Wiley
Gurney	McMahon	Williams
Hayden	Magnuson	Young
Hendrickson	Malone	
Hickenlooper	Martin	

The PRESIDING OFFICER (Mr. HOLLAND in the chair). A quorum is present.

TEMPORARY PAY OF EMPLOYEES OF FORMER SENATOR WAGNER

Mr. HAYDEN. Mr. President, I ask unanimous consent to report favorably from the Committee on Rules and Administration Senate Resolution 129 submitted today by the Senator from New York [Mr. IVES] relative to temporary pay for the administrative and clerical assistants appointed by Senator WAGNER.

The PRESIDING OFFICER. Without objection, the report will be received.

Mr. HAYDEN. Mr. President, I now ask unanimous consent for the present consideration of the resolution, and I ask that the resolution be read for the information of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. IVES. Mr. President, reserving the right to object, I withhold my objection until after the resolution is read, so Senators will know what the resolution provides.

The PRESIDING OFFICER. Prior to submission of the unanimous consent for present consideration of the resolution, it will be read for the information of the Senate.

The legislative clerk read the resolution (S. Res. 129), as follows:

Resolved, That the administrative and clerical assistants appointed by Senator ROBERT F. WAGNER for service in his office and carried on the Senate pay roll at the time of his resignation from the Senate, shall be continued on such pay roll at their respective salaries for a period not to exceed 60 days, payments therefor to be made from the contingent fund of the Senate.

Mr. IVES. Mr. President, reserving the right to object, I wish to say I have been very glad to offer the resolution, because I think it is the only fair thing to do. I understand it is customary to adopt resolutions of this kind in the case of death, and I daresay there are probably precedents for such resolutions in cases of resignations in the past. I think the resolution should be adopted. The only thing I should like to make sure of is that the new Senator who will come from the State of New York will not be inconvenienced by the particular action proposed to be taken at this time.

Mr. HAYDEN. Not at all This is carrying out the precedents.

Mr. IVES. Very well. Since that is understood, it is all right with me.

Mr. KNOWLAND. Mr. President, reserving the right to object, I wish to say I am fully familiar with the fact that in cases of death of a Senator such action has been customary. I should like the Senator from Arizona to cite an instance in which there has been an allowance made for payment to the office force of a Senator who has resigned.

Mr. HAYDEN. I should say that precedents with respect to death of Senators would furnish precedents for such action as is now proposed, because the circumstances are identical. There is a group of clerical assistants who must clean out the office, dispose of papers, and so on. They cannot be expected to do so without being paid. With the sudden change in their status, they are off the pay roll at this moment.

Mr. KNOWLAND. Of course, there has not been a sudden change. The resignation has been under discussion for a considerable period of time. I hate at this time to object, but I should like the Senator to cite, if it is possible to do so, any cases in the history of the Senate of the United States—and there have been a number of resignations in the Senate—where this procedure has been followed, because what we do here is going to open up a precedent in case of any resignation in the future, and I think we are at least entitled to full information on that score.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LUCAS. I am informed by reliable authority that we have done it in the past 3 years; once with respect to Senator Austin, when he resigned, and also when Senator Burton resigned to go on the Supreme Court bench.

Mr. KNOWLAND. If the Senator will give me his assurance that such action has been taken previously, I will withhold any objection. Such precedents would amply justify the proposed action.

Mr. HAYDEN. I do not remember the facts with respect to former Senator Burton. I do have a distinct recollection that we did take such action with respect to Senator Austin.

Mr. LUCAS. I have just been informed by reliable authority that that is true. I have not myself checked the information.

Mr. KNOWLAND. I wonder if the Senator can verify that. I shall not hold up action on the matter at this hour, but

can the Senator get the information to which he refers so there can be placed in the RECORD the resolution under which that was done?

Mr. LUCAS. I shall try to have that information furnished for the RECORD.

The PRESIDING OFFICER. If the Senate will permit, the Chair wishes to say that he is advised by the Parliamentarian that identical action was taken, by Senate Resolution 302, at the time of the resignation of Senator Austin of Vermont.

Is there objection to the immediate consideration of the resolution?

Mr. DONNELL. Mr. President, reserving the right to object, may I inquire if either the Senator from Arizona or the Senator from Illinois could enlighten me as to what will be the status of the office force as it shall continue? To illustrate, some inquiry may come in from New York to that office. For whom does the person who responds speak or write, or how is it determined who shall make the response? In other words, what is the real status of those employees?

Mr. IVES. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. IVES. The Senator from New York would like to point out that from some slight experience, since having been in the Senate, I believe a large share of that mail will very likely land in the office of the present Senator from New York.

Mr. HAYDEN. That may be true, but undoubtedly the administrative assistant of Senator WAGNER would reply saying, "Your letter has been received," and telling what disposition was made of it, and sign her name to it. That is all there would be to it.

Mr. DONNELL. There would be no actual official status whatsoever?

Mr. HAYDEN. No.

Mr. LUCAS. There could not be. The only thing the executive assistant could do would be to follow the suggestion of the Senator from Arizona and make reply, advising the constituent who wrote the letter of the fact that Senator WAGNER had resigned upon such and such a date, and was no longer connected with the Federal Government in any capacity.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. BRICKER. Mr. President, reserving the right to object, I will say to the distinguished Senator from California [Mr. KNOWLAND] that in the case of the resignation of Senator Burton, according to the information I have in my office—and I have the same secretary whom he employed—the employees of his office were given 30 days' salary after his resignation.

Mr. GEORGE. Mr. President, I rise to inquire whether in the case of a resignation we have ever paid salaries for 60 days, which is what the resolution calls for. In case of another appointment, it is clear that there would be an obvious duplication of salaries for that length of time. I should like to have the information. In the absence of the information, I shall ask that the resolution go over until tomorrow, so that I may find out whether we have ever paid salaries for 60 days in the case of any resignation.

The PRESIDING OFFICER. The Chair will state for the information of the Senate that the brief description of the resolution stated in the list of resolutions on the desk does not give that information. It will require a few minutes to develop the information.

Mr. GEORGE. I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will go over.

AUTHORITY TO SIGN BILLS

Mr. LUCAS. Mr. President, I ask unanimous consent that during the recess following today's session the Vice President be authorized to sign bills found to be truly enrolled.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF IMPORT CONTROLS ON FATS AND OILS

The PRESIDING OFFICER. There is pending a unanimous-consent request by the Senator from Illinois [Mr. DOUGLAS] for the present consideration of House bill 5240, which will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5240) to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products.

Mr. SALTONSTALL. Mr. President, reserving the right to object to the unanimous-consent request for consideration of the bill relative to fats and oils, sitting for the moment in the seat of the minority leader, I suggested the absence of a quorum, because I understood that the report of the committee was not unanimous. I note the presence in the Chamber of the Senator who, I believe was in the minority in the committee. Personally I do not object to the consideration of the bill, unless there is objection on this side of the aisle.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 5240?

Mr. BRICKER. Mr. President, I object.

Mr. DOUGLAS. Mr. President, the reason for this bill is approximately as follows:

During the war, in order to free ourselves from the high prices which the Argentine Republic was going to charge us for flaxseed and for linseed oil, and also to stimulate war production, a high guaranteed price was fixed on the production of American linseed, at approximately $6 a bushel. This resulted in a large production of flaxseed, particularly in the Northwestern States—so great a production that at the prices which the Government supported the private domestic market was unable to absorb the full quantities produced.

In order to absorb the product and maintain the price, the Commodity Credit Corporation has been purchasing flaxseed and also linseed oil. I understand that it now has in stock approximately 20,000,000 bushels of flaxseed and 345,000,000 pounds of linseed oil, which is the rough equivalent of 17,000,000 more bushels of flaxseed. So it has in storage the equivalent of 37,000,000 bushels of flaxseed, whether in flaxseed or linseed oil. It has reduced the price for this year's crop from $6 to $3.99.

The import controls upon flaxseed expire at midnight tomorrow night. The Department of Agriculture states that producers in the Argentine would be able to lay down linseed oil in New York at 10 cents a pound, in comparison with the cost to the Government of 27½ cents a pound, and that, therefore, were the Argentine price to become the world price and were we forced to dispose of our storage of flaxseed and linseed oil, the Commodity Credit Corporation would face a maximum loss of more than $120,000,000.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. The farmers in Minnesota, the Dakotas, and elsewhere planted flax during the war and changed their acreage to flax because the Government asked them to do so.

Mr. DOUGLAS. That is correct.

Mr. MAYBANK. The farmers would also be great sufferers.

Mr. DOUGLAS. That is correct.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. THYE. The only reason why the high price support was agreed to a year ago by the Department of Agriculture in connection with flax production was to get an increase in flax production because of the great shortage of flaxseed and linseed oil in the United States and the extremely high price which the processor was compelled to charge for the oil. Other available oils in the world were held at extremely high prices, and consequently this country could not supply the linseed oil necessary for paints. So the $6-a-bushel support price was announced at a time when we were crying for increased production.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. Does not the Senator from Minnesota feel that this is almost a Government obligation, because of what was told the people of Minnesota and other States in the Northwest with regard to planting flax and the Commodity Credit Corporation taking it over?

Mr. THYE. That is absolutely true. The Government is under a moral obligation to protect those who purchased flaxseed last fall at $6 a bushel, and who now have it as a part of their inventory. Moreover, the Commodity Credit Corporation has on hand a huge supply which it was compelled to purchase at $6 a bushel in order to keep faith with its obligation to see that the producers would get $6 a bushel for flaxseed.

In the event the Congress does not carry through and give some protection, we are not only going to break some who have high inventories of linseed oil at extremely high prices, but we are likewise going to break some who have in their inventories related oils, such as soybean oil. Furthermore, the Commodity

Credit Corporation has the equivalent of 37,000,000 bushels of flaxseed, or the amount of 345,000,000 pounds of linseed oil on hand. If the Commodity Credit Corporation is thrown into competition with imported oil, it will suffer a loss of between $120,000,000 and $150,000,000 on the supply which it has in storage, and our own processors of linseed oil, who have this high-priced oil on hand awaiting orders from paint processors, are going to be broken. If the Congress fails to extend these oil controls for at least another year, we shall not only break faith but we shall jeopardize every creamery in the United States, because this matter affects butterfat prices as well as the prices of flaxseed and soybean oil.

Again I say, I heartily support the junior Senator from Illinois [Mr. DOUGLAS] in his plea that the Congress extend the fat and oil controls for another year.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield for a question.

Mr. STENNIS. I should like to ask the Senator from Illinois whether the act to which he refers is broad enough to cover tung oil?

Mr. DOUGLAS. We have telephoned the Department of Agriculture on that point. They say it includes tung oil, but no import licenses are at the moment required for its importation.

Mr. STENNIS. But tung oil is included?

Mr. DOUGLAS. That is correct.

Mr. President, I should like to say that if the import controls are not extended, what we may likely face will be a large importation of flaxseed and linseed oil from the Argentine, which will be sold on the domestic market, and by itself will cause a price break. However, the Government has guaranteed a price of $3.99 a bushel for flaxseed. Therefore, in order to maintain that price, the Government will be compelled to go into the domestic market and buy increased quantities of domestic flaxseed. So, in effect, the more flaxseed and linseed oil that come into the United States from the Argentine, the greater will be the volume of purchases the Commodity Credit Corporation will have to make in order to maintain the price, and therefore the greater will be the loss which the Federal Government will sustain. In other words, we shall almost be pegging the world price of flaxseed and linseed oil—in the case of flaxseed, at $3.99 a bushel.

This measure is a means of temporarily shutting off imports, in the hope that in the next year the United States Government will be able to work off the surplus stocks it now has. Of course there is no guaranty that it will be able to do so, but at least this measure will give the Government time in which to try.

Mr. CAPEHART. Mr. President, if my information is correct, if this act is not extended, the possible cost to the Federal Government will be between $150,000,000 and $200,000,000, because it is anticipated that Argentina will ship to the United States linseed oil at 10 cents a pound. Of course, this is but another example of how the so-called planned economy has failed to work. In this case, oils will be shipped to the United States from foreign countries, thus reducing the price in the United States by no one knows how much. However, it is anticipated that it will cost the Federal Government between $150,000,000 and $200,000,000, if this measure is not extended for possibly another year. I repeat that this is another case showing how a planned economy fails to work.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, I think I should make a further announcement: If on tomorrow the Senate concludes action on the unfinished business, the national labor bill, a motion will be made to take up the North Atlantic Pact, and it will be made the unfinished business.

Of course, as I have said before, on Friday we shall take a recess until the following Tuesday.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. Do I correctly understand that debate on the North Atlantic Pact will not begin tomorrow?

Mr. LUCAS. No; we shall merely take it up then, and then on Friday take a recess until Tuesday, to proceed with it at that time.

I may say that some very important appropriation bills will be coming along, and probably we shall have to obtain unanimous consent temporarily to lay aside the North Atlantic Pact, in order to consider those appropriation bills next week.

Mr. DONNELL. I thank the Senator.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. BALDWIN. Mr. President, last January, when we were discussing the hearings in connection with amendments to the Taft-Hartley law, the distinguished junior Senator from Oregon [Mr. MORSE] had this to say:

Mr. MORSE. Mr. President, I wish to say to the Senator from Florida that in my judgment the arguments he made against the Taft-Hartley law at the time when the fight against the bill was occurring on the floor of the Senate, were sound. I joined with him then in those arguments. I join with him now in those arguments. But I say to the Senator from Florida that the way to get good legislation is not to follow the procedural course which the Senator from Florida is primarily responsible for in this matter. I say that because the Senator's procedure is going to result in a fight here on the floor of the Senate, resulting in an attempt to write a piece of labor legislation on the floor of the Senate. We cannot write good labor legislation here on the floor of the Senate, Mr. President. So I do not propose to let the Senator from Florida "get by," so far as American labor is concerned, with any representation that the committee procedure for which he, up to this hour, is chiefly responsible insofar as the handling of labor legislation in the Eighty-first Congress is concerned, meets the best interest of American labor. I say to American labor here and now that the weeks immediately ahead will demonstrate that the course of action for which the Senator from Florida is responsible constitutes a great disservice to American labor. I hope we can persuade the Democrats in committee meetings to change the timetable they have adopted so that we can have fair hearings on this issue of labor legislation. Whether I am right or wrong depends on whether or not we are going to consider the problems, issue by issue, which must be taken up in order to have a fair piece of labor legislation passed by this Congress. Mr. President, we cannot possibly have fair consideration of the issues I wish to raise here this afternoon by any such timetable as that which the Senator from Florida has been able to get the Committee on Labor and Public Welfare to adopt.

At that time we were discussing how long a time would be devoted to the hearings on the proposed amendments to the Taft-Hartley Act. I remember that afterward, when the committee made its report, the Senator from Oregon made substantially the same statement, namely, to the effect that we were going to have to write labor legislation right here on the floor of the Senate. Mr. President, he was a better prophet than even he thought he was at that particular time.

It is a matter of keen regret to the junior Senator from Connecticut that we have to vote on the proposed Taft substitute tomorrow at 2 o'clock. It seems to me that the proposed Taft substitute represents the very sincere and earnest efforts of the minority members of the Committee on Labor and Public Welfare. The Senate will recall that at the time of the earlier proceedings, a part of which I have read from the RECORD, we had under discussion the question of how much time would be devoted to the hearings. The position of the majority party in the Senate at that time was, that since there had been a mandate in the election of 1948, very little if any time should be given to hearings in the matter of amendments to the Taft-Hartley Act, that it should be repealed in toto, and that no time should be spent on hearings. After considerable discussion and argument, the timetable was advanced and there were extended hearings.

Thereafter, as I recall, after the close of the hearings, the committee adjourned for a week, and then met, for what at least the minority members supposed was going to be an opportunity to consider amendments offered by the minority, or offered by any member of the committee. What happened, Mr. President? I think it is well to recall it at this time, because it is responsible for the dilemma in which we now find ourselves. What happened was that the committee met, and the majority of the committee voted to report, without any consideration in executive session whatever, the Thomas-Lesinski bill, or Thomas bill. After extended hearings, at which there was a great deal of testimony taken, and after earnest efforts on the part of the minority members of the Committee on Labor and Public Welfare to secure an opportunity to suggest amendments, the Thomas bill was

reported exactly as it had been introduced, as the junior Senator from Connecticut remembers. It was at that particular time that again the junior Senator from Oregon pointed out the fact that what we were going to have to do was to write labor legislation on the floor of the Senate or else repeal the Taft-Hartley Act outright.

There were some things in the Taft-Hartley Act which experience proved worked beneficially and well. There were other things in the Taft-Hartley Act which did not work so well. Those who drew the act foresaw that possibility, and provided a study committee to examine the operation of the act, to submit reports, and to recommend proposed changes.

Apparently the work of that committee, apparently the work of the minority, has gone practically for naught. As a result of the decision here today, by unanimous consent, that we are to vote tomorrow at 2 o'clock on the question of whether or not we adopt in a single package the proposed Taft substitute, the matter has already been decided.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BALDWIN. I am glad to yield.

Mr. TAFT. I think the statement that the work of the minority went for naught is not true. As soon as the action was taken by the majority, I called a meeting of all the minority members who had voted against the action of the committee. We spent weeks in working on a bill, with the assistance and advice of the counsel who had been the counsel for the joint committee, and who is now one of the experts on the committee itself. We went through all the evidence, we went through all the objections. We proposed, as the Senator knows, some 28 amendments to the Taft-Hartley law. So the pending amendment is, in effect, a report of a committee which considered the bill far more carefully than the majority of the committee considered the Thomas bill. I think it is wrong for us to say that the work of the minority went for naught, because what has now been offered is a carefully considered bill which deals with practically all the substantial objections made in the committee, on the evidence, and it is in effect a report of the minority of three of the Republican members. The other two sat in, joined in some things but not in all, and therefore these amendments or this substitute has had exactly the consideration which any bill gets from a committee of the Senate. I am sure those who had considered it for many months last year and many months this year heard the evidence and had the best advice.

Mr. BALDWIN. Mr. President, I may say I probably did not make myself clear. What I meant to say, and the thought I meant to convey, was that so far as the bill reported by the committee was concerned, the efforts of the minority really went for naught, because not a single one of its suggestions was included in that bill. That bill was introduced into the Senate, was referred to the committee, extended hearings were held, and it was then reported to the Senate as though no hearings had been held, and as though no executive consideration was ever given to the bill.

Mr. DONNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Missouri?

Mr. BALDWIN. May I add one thing before I yield?

Mr. DONNELL. Certainly.

Mr. BALDWIN. I may say, Mr. President, that we are in precisely the situation the junior Senator from Oregon at the time predicted we would be in, of trying to write on the floor of the Senate a very comprehensive labor bill. It is a matter of keen regret to the junior Senator from Connecticut that we are going to have to vote on the Taft substitute tomorrow, because there are several amendments which the junior Senator from Connecticut would like to have had presented and would like to have had discussed at great length. The junior Senator from New York had a number of amendments that he intended to propose, and a number of other amendments have already been put into the Thomas-Lesinski bill, to which the Republican ranking member of the committee has agreed. However, there are some of the provisions in his substitute which would change the amendments which have already been agreed upon. So, Mr. President, it seems to the junior Senator from Connecticut that we find ourselves in considerable confusion, at least the junior Senator from Connecticut finds himself in some confusion, as to just where we are, and he believes that the forecast of the junior Senator from Oregon was correct. We have tried to write on the floor of the Senate a labor bill, to good effect and good purpose it seems to me, insofar as we have gone. I now yield to the Senator from Missouri.

Mr. DONNELL. If the Senator will permit, I should like to note at this time the fact, supplementing what the Senator from Ohio has stated, that on May 4 there was ordered to be printed a copy of the minority views, joined in by three of the minority, to which is appended a statement by a fourth member of the minority. The minority views, so expressed, embrace more than 90 pages of printed matter. Therefore, I think it is true, as the Senator from Ohio has said, that not only has the amendment been prepared, but somewhat extensive minority views were the outcome of the work of the members of the minority, following the treatment of the subject by the committee itself.

I should like to have the RECORD show that the report to which I refer is report 99, part 2, Eighty-first Congress.

Mr. BALDWIN. I agree heartily with what the distinguished Senator from Missouri has said, and I make the point again that it is too bad that the committee as a whole in executive session could not have had the advantage of this very extensive work.

Mr. DONNELL. I thoroughly agree with the Senator.

Mr. BALDWIN. It seems to me we have departed from what should be the normal, proper procedure in the drafting of a bill.

Mr. TAFT. Mr. President, will the Senator yield to me for the purpose of making a parliamentary inquiry on the subject of amendments?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Ohio?

Mr. BALDWIN. I yield.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. May amendments to the substitute be offered tomorrow, prior to 2 o'clock?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that if Senators who have control of the time yield time to Senators who wish to offer amendments to the Taft substitute, they will be in order.

Mr. TAFT. Then, Mr. President, I should like to make the statement that I shall yield such time to any Senator who is not able to prepare his amendment this evening and who desires to offer it before 2 o'clock tomorrow.

I wish to assure the Senator from Connecticut that no amendment is being shut out. I sympathize with the Senator's statement that the time for debate was limited. That was only because I hoped that we would get 10 minutes after 2 o'clock. I am sorry that the time is so short, but that was the unanimous-consent request made. Of course, the Senator could have objected, as I might have. But so far as the offering of amendments is concerned, any amendments which the Senator wishes to offer may be offered tomorrow before 2 o'clock. Some of them may be entirely acceptable to the authors of the substitute.

Mr. BALDWIN. I thank the Senator from Ohio for making the parliamentary inquiry, which is substantially the point I had intended to make myself; so that I have the answer to my question, without having propounded the question myself.

I should like at this time to offer two amendments to the Taft substitute, one in behalf of myself, the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Vermont [Mr. FLANDERS]; the other simply in behalf of myself. I may say for the benefit of the RECORD that the first amendment which I am offering is the one that strikes out on page 41 subsection (b) of section 14, lines 16 to 20, inclusive.

The effect of that, Mr. President, would be to strike out the provision of the Taft substitute which gives precedence to State laws affecting labor-management relationships where they are at variance with the provisions of this particular bill. My purpose is simply this: If we are to have labor-management legislation which affects the United States as a whole, then it should affect it equally and fairly. It does not seem to me that one State should be in a position to make the claim that in its particular area it is more difficult to organize labor unions, that the labor provisions there are more stringent, and consequently, wages may be lower. That sort of an argument is sometimes used to induce industry to move from one part of the country to another.

Therefore I make that simple explanation of the amendment.

The other amendment would strike out on page 18 subsection (c), line 18, the words "or set aside any election."

The purpose of the amendment is to keep the Aiken-Douglas amendment in reference to free speech as it has already been approved by the Senate. The substitute offered by the Senator from Ohio changes that particular provision in the respect which I have explained. It is the purpose of this particular amendment to leave the provision as it has already been adopted by the Senate. I may say that in offering the amendment, I do not wish to be critical of any particular State.

The PRESIDING OFFICER. Does the Senator wish to offer one of these amendments and simply send forward the other to be printed or lie upon the table?

Mr. BALDWIN. I should like to have both of them printed so that they may be considered tomorrow.

The PRESIDING OFFICER. Which one of the two amendments does the Senator wish to offer at this time?

Mr. BALDWIN. The one in which I am joined by the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Vermont [Mr. FLANDERS].

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 41 it is proposed to strike out subsection (b) of section 14, lines 16 to 20, inclusive.

The PRESIDING OFFICER. Does the Senator wish to have the other amendment printed and lie on the table?

Mr. BALDWIN. I do, Mr. President.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

Mr. BALDWIN. In offering the amendment I do not want to appear critical of any State. As a matter of policy I have tried in all my public life to give as much power and authority to the State and the State government as it was possible to give. I mean by that, that I consistently stood for that policy. However, it seemed to me that when we are dealing with labor-management relationships as they concern goods and products which pass in interstate commerce, the whole United States must be given power. A labor organization should have the same opportunity to organize and conduct its business in one part of the country as it has in another part of the country. Employers in one part of the country should be able to carry on their business, insofar as it affects labor-management relationships, and as it concerns goods flowing in interstate commerce, the same as in any other part of the country.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. SALTONSTALL. I should like to state that I joined with the Senator from Connecticut in this amendment for the reasons he has so ably stated.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield to the Senator from Florida.

Mr. PEPPER. I am sorry, but I did not understand what the amendment of the able Senator from Connecticut is. Would the Senator be kind enough to repeat the purpose of it?

Mr. BALDWIN. The first amendment strikes out of the Taft substitute the provision giving precedence to State laws relating to labor-management relationships.

Mr. PEPPER. In other words, if the Senator will yield further, am I correct in surmising that the amendment offered by the Senator from Connecticut would restore the provision of the Thomas-Lesinski bill on that subject, if it should be adopted?

Mr. BALDWIN. Yes.

Mr. PEPPER. Then I wish to say that I should like to commend the Senator for his position, and I shall strongly support it.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. LUCAS. Is the Senator certain that that is what his amendment would do?

Mr. BALDWIN. That is my off-hand opinion. I am not thoroughly familiar with the bill to which the Senator from Florida referred.

Mr. LUCAS. Will the Senator explain how his amendment affects the closed shop?

Mr. BALDWIN. It does not affect it at all.

Mr. LUCAS. How does it affect the open shop in States which have the open shop?

Mr. BALDWIN. This particular amendment has the effect of requiring that, insofar as their effectiveness is concerned, the provisions of the National Labor Relations Act shall be uniform throughout the United States; that is, no State can pass a law which will take precedence over a national law in labor-management relationships as applied to goods flowing in interstate commerce.

Mr. LUCAS. Let us assume that a State has the open shop at the present time. The Senator's amendment would not affect that situation at all?

Mr. BALDWIN. No, it would not.

Mr. LUCAS. I think that is what the Senator from Florida had in mind.

Mr. PEPPER. Mr. President, will the Senator yield further?

Mr. BALDWIN. I yield.

Mr. PEPPER. I had not had an opportunity to read the amendment and that is why I inquired what its effect would be. I am afraid, unless I am incorrectly informed, that other provisions in the Taft substitute might counteract it.

Mr. BALDWIN. I am not a member of the committee, and such study as I have made of the subject I have had to make in connection with work I have had to do on my own committee. But, as I understand, there are in the substitute pending before the Senate two provisions which affect the effectiveness of labor-management relationships. One is the provision on page 41 of the substitute offered by the Senator from Ohio, which provides:

> Nothing in this act shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. PEPPER. It seems to me, unless I am in error, that the Taft substitute is a little inconsistent and contradictory. It would deny a State, by constitutional amendment or statutory provision, the right to have the closed shop, but would forbid a State from having a closed shop by the prohibition against the closed shop in the Taft substitute. So it would seem to me that the Taft substitute is a sort of "heads I win, tails you lose" proposition for labor. If a State is more liberal than is Congress, then the Taft substitute would prevail, but if the State is more severe upon labor than is the Congress, the Taft substitute makes the State law the prevailing policy. It seems to me it is weighted against labor. If we are to give the State the prerogative to have an open shop, we should also give it the prerogative to have a closed shop if it so desires.

Mr. BALDWIN. It seems to me the amendment I have offered does not make it possible for States to pass more stringent labor legislation and have it take precedence over national law.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. LUCAS. I should like to ask the Senator if it is not a fact that the amendment, insofar as the closed shop is concerned, is not effective at all? I do not see much merit in the amendment offered; but if the Senator's amendment really does what he says he wants to do, which is to put the closed shop in the same situation as it is in the Thomas bill, that is something else. I think that overnight the Senator should examine the amendment very carefully, because I seriously doubt if at the present time the amendment does anything with respect to the closed shop as we now find it in the Taft substitute, and so far as I am concerned, that is the important matter.

Mr. THYE. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from Minnesota.

Mr. THYE. The purpose of the Senator's amendment is to make sure that State laws are not inconsistent with the Federal statute.

Mr. BALDWIN. That is primarily the purpose of the amendment. I will ask the Senator to address his question to the chairman of the committee, the Senator from Utah [Mr. THOMAS].

Mr. THYE. The Senator from Connecticut in his amendment is endeavoring to provide that State laws cannot be inconsistent with the Federal statute, if his amendment shall be agreed to.

Mr. BALDWIN. Insofar as closed shops are concerned.

Mr. THOMAS of Utah. In answer to the question of the Senator from Minnesota, I may say that if the desire is to include the question of union organization, the closed shop, or the open shop, the Senator from Connecticut will have

to make his amendment broader than he has made it. I think what the Senator has provided would take care of uniform treatment before the National Labor Relations Board of cases which are there. They would be treated on the Federal level instead of the State level. But the Senator must make his amendment broader if he expects to make the Federal law controlling over any State law in regard to union organization, the open shop, for example. For instance, in the State of Arizona there is a constitutional provision which guarantees the open shop. The Senator will have to make his amendment sufficiently broad so that in so many words it will provide, "Notwithstanding the law in any State, this shall be the law."

Mr. BUTLER. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield.

Mr. BUTLER. In the State of Nebraska we have a constitutional provision prohibiting the closed shop. What effect would the adoption of the Senator's amendment have on that situation?

Mr. BALDWIN. I hope that the adoption of my amendment would make the laws with reference to the closed shop, as they are involved in interstate commerce, uniform throughout the United States.

Mr. BUTLER. I think there has been a Supreme Court decision upholding the Nebraska law.

Mr. LUCAS. Mr. President, before I make a motion for a recess, I wish to say to the Senator from Connecticut that I sincerely hope he will examine his amendment overnight carefully with a view to attempting to accomplish exactly what we hope to accomplish through the Thomas bill. I assure him that if he will do that, there will be a good deal of support for that kind of an amendment, because I do not believe there should be an open invitation by certain States to industries in other States which are not affected by a law of this kind to come to a State where labor is, we will say, cheap, or the open shop prevails, and give them a tremendous advantage by enabling them to say to industries in Connecticut, for example, "Come to my State and open up an industry here," or "Come to Illinois and open up an industry here." I think from that angle, as well as from the standpoint in which labor is vitally interested, namely, having the law uniform throughout the Nation, the Senator can get much support for his amendment if it does what I think it should do, and what I think the Senator from Connecticut is really seeking to do.

Mr. BALDWIN. I am glad to have the statement and advice of the Senator from Illinois, and I should like to know, as a parliamentary inquiry, whether or not it would be possible for me to perfect the amendment tomorrow.

The PRESIDING OFFICER. Prior to any action by the Senate on this particular amendment to the Taft substitute the Senator may at his will modify his amendment.

Mr. BALDWIN. I thank the Presiding Officer.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 7 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 30, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 29 (legislative day of June 2), 1949:

APPOINTMENTS IN THE REGULAR ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, Eightieth Congress:

To be majors

Thomas Horwitz, MC, O294359.
Andres I. Karstens, MC, O542449.
Richard D. Martin, MC, O395243.
Frank J. Vita, MC, O272468.

To be captains

William F. Andrew, MC, O468002.
Robert P. Brock, MC, O448335.
Coursen B. Conklin, Jr.,, MC O1725167.
Jay T. Estep, DC, O960675.
John P. Griffith, Jr., MC, O516772.
Jack H. Hall, MC, O542290.
William C. Hollifield, MC, O395688.
Wilbur L. Kenoyer, MC, O1746501.
Fred Schneider, DC, O1755132.
John A. Sheedy, MC, O1744856.
Alfred G. Siege, MC, O463703.
Julius C. Sozanski, MC, O476595.
Travis J. Towson, Jr., MC, O542463.
William R. Willis, MC, O399274.

To be first lieutenants

William S. Allerton, MC.
William F. Barry, Jr., MC, O1726110.
John F. Benson, MC.
Charles B. Bingham, DC, O959946.
Richard C. Bodie, MC, O1756332.
Eugene F. Bolliger, MC.
Thaddeus W. Cap, MC, O1718848.
Morton B. Carlton, MC, O1736405.
Robert A. Chase, MC.
James W. Clark, DC, O965608.
Robert N. Class, MC, O1757154.
Glen E. Cooley, MC.
Clem C. Crossland, Jr., MC O1726095.
Estill N. Deitz, MC, O1747267.
Joseph W. Dennis, MC.
Gordon C. Dieterich, MC.
Toby Freedman, MC.
Evan R. Goltra, MC.
Clarence E. Goodman, Jr., JAGC, O465204.
Russell E. Graf, MC, O1736145.
Oscar Green, MC.
Howard E. Hall, MC.
John P. Heard, MC.
Charles G. Hermann, MC.
Eugene A. Hildreth, Jr., MC.
Samuel R. Hill, Jr., MC.
Woods A. Howard, MC.
Herbert J. Jacobs, MC, O1718128.
Sidney B. Kern, MC.
William B. Kingsley, MC.
Kenneth A. Kooi, MC.
George M. Lane, MC.
Samuel Lee, MC, O936923.
David H. Lewis, MC.
Jack B. Lowery, MC, O1766420.
Edward A. Lundberg, MC.
William K. McClelland, MC.
John M. McCoy, MC.
William F. Mac Gillivray, MC.
John W. Mason, MC.
Thomas F. Morrow, MC, O1766339.
Jack P. Myers, MC.
Robert P. Natelson, MC.
Loren E. Nelson, MC.
Charles T. Pinney, MC.
Forrest W. Pitts, MC.
Raymond R. Ross, MC.
Aloysius I. Rowan, Jr., MC, O1727479.
Myron E. Rubnitz, MC.
Howard P. Sawyer, Jr., MC.
John J. Schwab, MC.
Robert D. Story, MC.
Daniel M. Taylor, MC.
Harold N. Taylor, MC.
Roy S. Temeles, MC.
Charles W. Thacker, MC.
Kenneth E. Trimmer, MC.
Richard E. Troy, MC.
Richard C. Turrell, MC.
Edward F. Vastola, MC.
Calvin J. Wegner, MC.
Mortimer L. Williams, MC.
Donald N. Vivian, MC, O1717482.
Norman B. Yourish, MC.

To be second lieutenants

John C. Rennie, MSC.
Gloria E. Saffield, ANC, N769906.
Margaret M. Shea, ANC, N799586.

The following-named persons, subject to completion of internship, for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Wilmer C. Betts.
Richard K. Blaisdell, O964982.
Richard S. Buker, Jr., O959346.
Joseph V. Conroy, Jr., O961948.
Richard H. Cote, O965460.
Arthur N. Dadirrian, O962927.
Crowell T. Daniel, Jr., O958663.
Theodore P. Froehlke, O961445.
Robert D. Gamble, O956164.
Clifford P. Goplerud, O948535.
John N. Gordon, O954876.
Moses M. Hartman, O961952.
Ervin A. Kjenaas, O959007.
George H. Klumpner.
Leonard D. McLin, O954982.
John A. Moncrief, O959037.
Charles R. Montz, O948540.
Charles H. Moore, O961441.
Vol K. Philips, O962918.
Francis T. Rafferty.
Roberto C. Rodriguez, O961450.
Jasper L. Van Avery, Jr., O961695.
Louis J. West, O960475.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

John E. Bell.
Phillip L. Mallory.
John L. Payne, Jr.
James M. Van Hook.
Fred W. Wilmot, O947845.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 29 (legislative day of June 2), 1949:

UNITED STATES AIR FORCE

APPOINTMENTS IN THE UNITED STATES AIR FORCE

The following-named distinguished aviation cadets, who are scheduled to complete their aviation cadet training on July 1, 1949, for appointment in the United States Air Force in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of

section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Robert E. Ainslie	Richard W. Hagauer
James H. Amos	William R. Hale
Charles F. Anderson	David R. Harston
Thomas J. Carpenter	Edward Hilliding
Don L. Casselman	Charles R. Knoche
Thomas W. Chambers	Walter B. Lull
Edmund G. Chartier	Robert W. Marden
Talmage W. Cobb	Donald L. Nangle
Arthur B. Crawford	Robert F. O'Brien
Raymond C. Dodson	Joe J. Rhiley
Joseph J. Drach	Harold P. Saabye
William B. Driver	Elijah W. Shacklette, Jr.
Harold P. Dye	
James D. Edgington	Eugene A. Sorensen
Theodore E. Erich	George A. Sylvester
Thomas J. Fiden	Richard L. Watson

The following-named distinguished military students of the Reserve Officers' Training Corps for appointment in the United States Air Force in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

John F. Brady
John C. Gall
Irwin P. Graham

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 29, 1949

The House met at 11 o'clock a. m.

Dr. Alfred J. Thomas, pastor, First Evangelical United Brethren Church, Lock Haven, Pa., offered the following prayer:

Father of us all, we commend ourselves to Thee for Thy guidance and care. May Thy presence be manifest in leading our Congressmen in their honest deliberations this day. We are so prone to call the pleasant good and the unpleasant bad.

Teach us that the good is ever achieved at a cost. Grant us the courage to weigh sincerely the opinions of those who differ from us and to remember that we may advance by the winds that would oppose us.

Teach us to be reverent, teach us to be humble; both individually and as a nation we are what we are by Thy Grace.

Be merciful unto us and bless us and cause Thy face to shine upon us. In the blessed name of Jesus Christ our Lord, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in three instances and include in each extraneous matter.

Mr. WITHROW asked and was given permission to extend his remarks in the RECORD and include two resolutions.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Buffalo Courier-Express.

Mr. DAVIES of New York asked and was given permission to extend his remarks in the RECORD.

Mr. GORSKI of New York asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Washington Star.

Mr. CLEMENTE asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. CLEMENTE. Mr. Speaker, on yesterday I was given permission to extend my remarks in the RECORD and include an article. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $187.50, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Tulsa Tribune of Saturday, June 25, entitled "A Slogan Tells the Story."

Mr. McCULLOCH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Columbus (Ohio) Dispatch.

CALL OF THE HOUSE

Mr. SPENCE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MANSFIELD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 116]

Anderson, Calif.	Kearns	Plumley
Bland	Kee	Roosevelt
Boykin	Kilday	Sabath
Bulwinkle	LeCompte	St. George
Byrne, N. Y.	McMillen, Ill.	Scott, Hugh D., Jr.
Canfield	Macy	Shafer
Celler	Mason	Short
Chatham	Merrow	Smith, Ohio
Chiperfield	Morrison	Staggers
Clevenger	Murdock	Taber
Cox	Murray, Wis.	Thomas, N. J.
Gilmer	Norton	Vorys
Hays, Ark.	Peterson	White, Idaho
Hobbs	Pfeifer, Joseph L.	Woodhouse
Jennings		

The SPEAKER. On this roll call, 386 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDMENT OF CONTRACT SETTLEMENT ACT OF 1944

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 6, line 11, strike out "other." " and insert "other."

Page 6, after line 11, insert:

"(9) Not more than 10 percent of the amount which may be paid by the United States in settlement of any claim filed under the provisions of this subsection shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with such claim, and the payment, delivery, or receipt of any greater amount shall be unlawful, any contract to the contrary notwithstanding; and any person who violates the provisions of this paragraph shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

HOUSING ACT OF 1949

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4009, with Mr. BOGGS of Louisiana in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Before rising on yesterday, the Committee agreed that title III of the bill should be considered as read and be open to amendment and subject to points of order.

The Clerk will report the committee amendments.

The Clerk read as follows:

Page 28, line 5, strike out "need" and insert in lieu thereof "needs."

Page 28, line 24, strike out "initiated after March 1, 1949,".

Page 29, line 6, after the word "project", insert "initiated after the date of enactment of the Housing Act of 1949."

Page 29, strike out all of line 16 and strike out through "servicemen)" on line 17, and insert in lieu thereof "families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected, and third preference shall be given to families of other veterans and servicemen."

Page 29, lines 23 and 24, strike out "(including families of deceased veterans or servicemen)" where such appears therein.

Page 30, line 4, insert a comma immediately following "connected" and the following: "and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected."